
CHIEF EXECUTIVE OFFICER'S REPORT

Annual General Meeting of Members Friday, 11 October 2013

My Report last year focused on the Enterprise bargaining cycle that was in full swing with settlements reached with ANMF, HACSU, as well as the HSU East Agreement. Negotiations with HSU No4 have since been concluded and the Agreement outcomes are substantially reflective of the key outcomes of those earlier Agreements.

As with these earlier Agreements, there was no implementation of outcomes until the formal agreement [reflecting the agreed Basis of Settlement] had been formally approved by the Fair Work Commission. The major EBA preoccupation in this past year has been the two Doctors EBAs. The bulk of these negotiations were conducted under strict confidentiality protocols at the Fair Work Commission between September 2012 and June 2013. This process contributed substantially to the ability of the parties to thoroughly canvass all issues without resort to external and public posturing that at times bedeviled previous negotiations.

Of particular significance was the common commitment to negotiate a comprehensive agreement covering full time and fractional Specialists given a statewide binding industrial instrument had not existed for more than a decade. Central to the employer position was the necessity to arrest the “*wages spiral*” that was occurring within the sector via local and craft group bargaining and contractual adjustments. The new agreement stipulates particular constraints on further agitation for improved remuneration without unduly inhibiting employers in their recruitment of Specialists or the restructuring of organizational arrangements of their Specialist workforce. The resultant remuneration stability will contribute to cost certainties and lay the groundwork for the next EBA round in 2016 for a more robust statewide remuneration system that is even less susceptible to “*wage breakouts*”.

VHIA has conducted a series of member forums across Victoria to fully explain EBA outcomes and elicit member feedback about implementation issues or matters to be considered by VHIA in the way of industrial support for members having to avail themselves of the various opportunities the Agreements provide. Such Forums will continue to be at least an annual event, in addition to the other myriad membership interfaces that are available.

VHIA has been fortunate to be able to strengthen its senior staffing cohort with the recruitment of Simon Chant and Stuart McCullough in early 2013. They are a most welcome addition to our firepower and will play a pivotal role in the industrial priorities that the VHIA Board will progressively determine. Crucial to the prosecution of such priorities is our relations with the Department of Health and the Government of the day and the level of collaboration that can be generated to create meaningful momentum for such priorities. It goes without saying that the electoral cycle is a relevant factor in matters such as these.

The VHIA Board has a clear objective to focus on core business and this is essentially defined by reference to the nature and, urgency of workforce reform imperatives, together with the seizing of the industrial opportunities that the new industrial instruments provide. The recent experiences of such initiatives will strongly inform the VHIA Board's Strategy Committee in the development of further initiatives that focus on workforce reforms, be they modest or more ambitious. Not everyone has the same sense of urgency about workforce reform but it is indisputable that unless we take the opportunities that exist, or that we can create, we will never rid ourselves of the inevitable subordination of these matters to the relatively unproductive EBA cycles.

The team at VHIA has enjoyed strong and consistent support from the Board and members and there is a strong sense of clarity where our energies and capacities need to be directed over the coming two to three years. The commitment to our service values is highly evident and I am proud to be a part of this team.

I would like to particularly acknowledge, with great appreciation, the leadership that the retiring President of VHIA, John Stanway, has provided to the organization over so many years. VHIA is in a strong, stable position and the transition to the Presidency of Dr. Brendan Murphy has been seamless, positive and widely welcomed. I look forward to the coming period with confidence and welcome the new Board members and thank those whose tenure has come to an end.



Alec Djoneff
Chief Executive Officer
Victorian Hospitals' Industrial Association