

number 31
December 2001

Agreements Database And Monitor REPORT

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wage trends

wage increases in September 2001 quarter certified agreements

The average annual wage increase for certified enterprise agreements registered in the September 2001 quarter was 4% (per agreement), down by 0.3 percentage points from 4.3% in the June 2001 quarter.

Figure 1.1 below shows that public sector agreements have exceeded the private sector wage outcomes by 0.1 percentage points (4.1% and 4% respectively). A margin between union collective and non-union collective agreements still appears but is not as large as in previous quarters.

Figure 1.1: September 2001 quarter average annual percentage wage increase, by sector and union party to agreement



Source: ADAM Database, 2001, ACIRRT, University of Sydney.

high wage outcomes in September 2001 quarter agreements

Performance appears to remain the key factor determining wage increases in this quarter's high average annual wage increase agreements. One particular metal manufacturing agreement also noted that any wage increase larger than 2.5% was to be justified via productivity offsets, inflationary movements and the company's profitability performance. Other factors for granting wage increases in these high wage agreements included employee cooperation surrounding workplace reform issues, changes to rostering arrangements and start/finish times, absorption of allowances, and removal of RDOs. Table 1.1 highlights these features.

Table 1.1: key features of higher than average wage increases in September quarter enterprise agreements

Industry (AAWI)	Key Provisions
Metal Manufacturing Sector (AAWI 9.6%)	<ul style="list-style-type: none"> • A total wage increase of 19.1% is paid over two periods. The Initial increase is 8.4% and a further anniversary payment of 10.7% • Both wage increases are paid as part of joint management-employee strategy to address wage disparities between workers of similar skill which were inimical to the company • A new classification system was formulated by the workforce, with the assistance of the company, reflecting comparative skills and competencies as well as experience • Wages increases were determined individually by the shop floor Consultative Committee, with some workers receiving smaller increases and others larger increases. The overall average rate was expressed as a "global" increase, with the committee dividing up the 'pie' • Any worker relegated to a lower level is to maintain current earnings for the life of the agreement • Wages have absorbed allowances • Employer stated that this strategy came about as a result of Consultative Committee Meetings where shop floor representatives significantly outnumbered management reps
Metal Manufacturing Sector (AAWI 8.4%)	<ul style="list-style-type: none"> • Wage increases of up to 16% paid over three periods. Initial guaranteed wage increase of 4% and two further increases of a minimum of 2.5% and a maximum of 6% each • Increases larger than 2.5% in these cases were dependent on four factors – productivity of the company, productivity of employees, CPI, and the viability of such an increase to the company's bottom line • Additional wage increases can also be granted and based on individual performance/skills reviews • The agreement emphasises the evaluation of staff performance
Construction Industry (AAWI 7.6%)	<ul style="list-style-type: none"> • Wage increases of 8.9% were granted over 3 periods. These increases are guaranteed • The agreement focuses on workplace reform and is quite comprehensive in terms of consultation processes and employee/union engagement • Wage increases are positively linked to productivity measures introduced by the agreement. Employee co-operation is emphasised as a result of these increases • This is one of several pattern agreements identified this quarter

Table 1.1: cont'd

<p>Agriculture Industry (AAWI 7%)</p>	<ul style="list-style-type: none"> • Wage increases of 14% over three periods apply. All increases are guaranteed • Initial increase of 5% and increases of 4% and 5% over the life of the agreement. However the last increase occurs towards the end of the agreement. This final increase may be in anticipation that it covers a period well into the next agreement • Provision is also made for an extension of the agreement • Employees' roster may be changed from a 5 day to a 6 day roster during peak season, by a majority vote using a secret ballot • Start and finish times can also be varied in this way, as well as shift changes
<p>Construction Industry (AAWI 6.3%)</p>	<ul style="list-style-type: none"> • Wage increases total an average of 19% over six periods - the rates of pay come directly off the award • Wage increases comprise an initial increase of an average of 10% (min. 7.8%, max. 12.2%), three increases of 2% and two increases of 1.5%. • Wages have absorbed several allowances that were payable under the award. Other allowances are still paid as worked. • In addition to wages, employees receive a minimum 'productivity' payment of \$70 per week. This includes compensation for fares/travel allowances and overtime penalty rates. • Ordinary hours can be varied in consultation with employees for early starts.
<p>Manufacturing Industry (AAWI 7%)</p>	<ul style="list-style-type: none"> • Wage increases of 14% over two periods – initial 7%, further increase 7%. • Wages include compensation for the fact that RDOs are not taken at the site. • Ordinary hours of work may also be varied by agreement with the union.

Source: ADAM Database, 2001, ACIRRT, University of Sydney, September Quarter agreements.

Note: High wage agreements are defined as those delivering an AAWI of 6% or above.

wage dispersion in current collective agreements

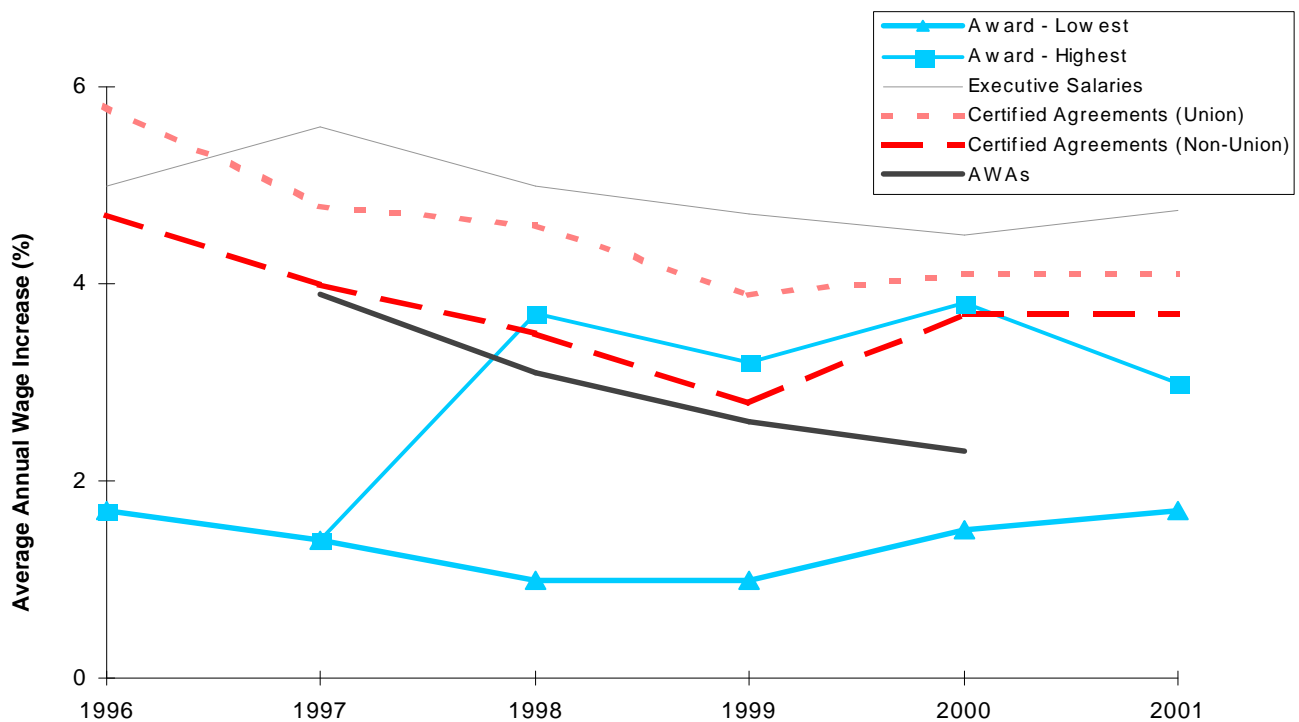
The average annual percentage wage increase for all currently operating agreements at September quarter was 4%, indicating a small increase since the previous quarter of 3.8%. Industries with the most notable increases included community services (from 3.3% for current agreements at the end of June 2001 quarter to 3.9% at the end of September quarter), recreational and personal services (3.3% to 3.8%), and other manufacturing (3.7% to 4.1%).

The range of wage increases is still apparent with some industries delivering an AAWI as high as 4.6% (metal manufacturing) while other industries are delivering 3.5% (transport/storage).

Year 2001 update on wage trends

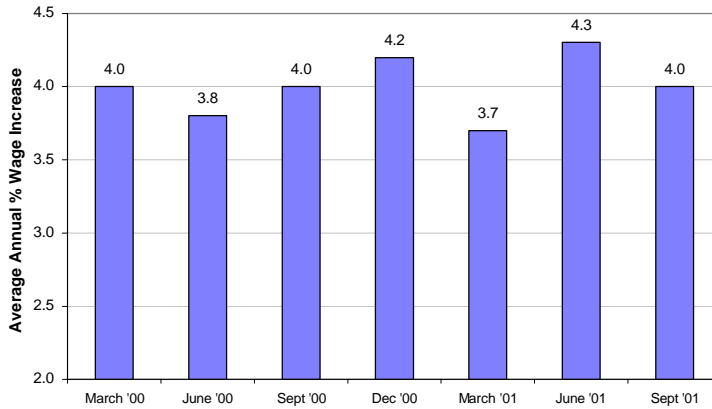
2001 has represented a year of stability on the wages front. No movement has been detected in wage increases for workers covered by enterprise agreements between 2000 and 2001 (as seen in Figure 1.2 below). An examination of quarterly trends for 2000 and 2001, however, uncovered a larger level of volatility in trends. For example, Figure 1.3 shows that quarterly wage outcomes varied anywhere between 3.7% and 4.3%.

Figure 1.2: average annual percentage wage increases in agreements, 1996-2001, by industrial regulation



Source: ADAM Database, 2001, ACIRRT, University of Sydney.

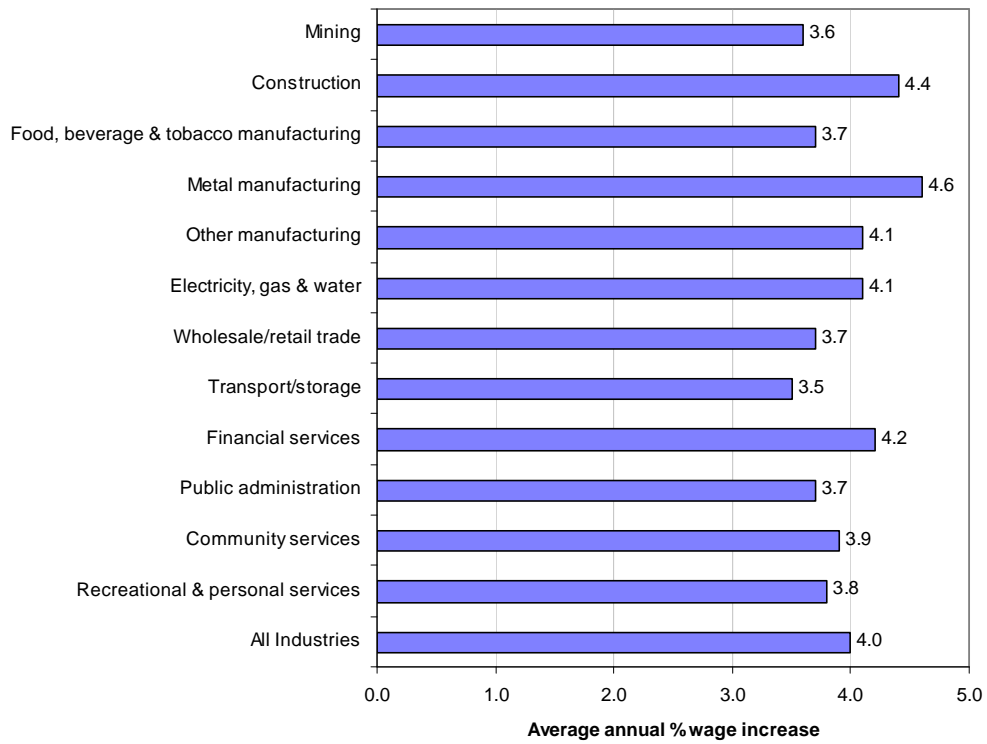
Figure 1.3: average annual percentage wage increases in agreements, 2000-2001, by quarters



ADAM Database, 2001, ACIRRT, University of Sydney.

An examination of wage outcomes for agreements in the first three quarters of 2001 found some industry differences. The metal manufacturing industry has the largest increase of 4.6%, followed by the Construction industry (4.4%) while the lowest average annual wage increase was in the transport/storage industry (3.5%).

Figure 1.4: average annual percentage wage increases in agreements, by industry, 2001



Source: ADAM Database, 2001, ACIRRT, University of Sydney, 1st, 2nd and 3rd quarters.

Note: Sample size for mining and electricity, gas and water industries is small. Caution must therefore be taken when interpreting these figures.

wage trends in AWAs and certified agreements

ACIRRT's ADAM Database currently holds information on a sample of 1189 of the total 3738 employers with approved AWAs (to the end of November, 2001).

Table 1.2 outlines the average wage outcomes for workers covered by AWAs, union collective agreements and non-union collective agreements for all currently operating agreements on the ADAM Database that commenced between 1997-2000. The table shows that a difference in average annual wage increases between AWAs and collective agreements still persists. The largest difference is between union collective agreements and AWAs (1.8% gap). Public and private sector differences are more apparent in AWAs than they are in union and non-union collective agreements. However, unlike collective agreements where the private sector tends to outperform the public sector with wage increases, an opposite effect is evident when examining the difference between the public and private sector wage outcomes in AWAs. Table 1.2 outlines these in more detail.

Table 1.2: AAWI in currently operating agreements, by agreement type, and public/private sector

	AAWI (%)		
	Union Agreements (n=968)	Non-union Agreements (n=275)	AWAs (n=87)
All Agreements	4.0	3.1	2.2
Public Sector	3.5	2.6	2.9
Private Sector	4.1	3.1	2.0

Source: ADAM Database, 2001, ACIRRT, University of Sydney.

Note: * Current agreements include all enterprise agreements and AWAs which have not reached their stated nominal expiry date as at end September, 2001. Data only accounts for AWAs approved between 1997-2000.

** Not all AWAs provide wage increases in percentage terms or do not provide sufficient information to calculate the wage increase. They are therefore excluded from these calculations.



special issue – union rights provisions on the rise in agreements: but why?

Since the election of the Howard Government in 1996 union rights issues have come to the forefront of the industrial relations debate in Australia. Union rights and recognition issues continue to be a matter of concern to the labour movement in an era of continuing decline in union density rates.

This issue of the ADAM Report examines the changes in the incidence of union recognition provisions in federally registered enterprise agreements under both the previous Labor and the current Coalition governments (pre and post the *Workplace Relations Act 1996*). These two periods mark a significant contrast in industrial relations approaches by the two governments, particularly with respect to union recognition and rights.

evidence from agreements

Analysis of trends in agreement provisions using the ADAM Database shows that there has been an increase in union recognition and rights issues in federal agreements since the introduction of the *Workplace Relations Act 1996*. Table 1.3 shows that enterprise agreements registered since January 1997 (when the *WR Act* came into force) contain a higher proportion of clauses dealing with employer support for union recognition provisions. For example, 6% of pre 1997 agreements contained provisions discussing employer support for employees joining unions. This compares with 17% of agreements under the *WR Act*. In addition, 15% of *WR Act* agreements stipulate that workplace delegates are provided at the workplace compared with 4% of pre 1997 agreements. Almost one third of *WR Act* agreements (29%) include a clause that union officials can call a meeting at the workplace during working hours, compared with 3% of pre 1997 agreements. In contrast there has been a significant decline in provisions associated with union consultation for matters dealing with workplace change (65% in pre 1997 agreements compared with 10% of *WR Act* agreements).

Table 1.3: union recognition provisions in federal agreements under two legislative periods

Type of union recognition provision	Pre 1997 agreements (pre WR Act)	1997 agreements onwards (under WR Act)
Employer supports employees joining union	6%	17%
Union delegate acknowledged at workplace	4%	15%
Delegates given time off to attend union business	6%	19%
Officials can call meetings during working hours	3%	29%
Union consultation for change provisions	65%	10%

Source: ADAM Database, 2001, ACIRRT, University of Sydney, Federal certified agreements.

the cause: increased union power or safeguard action?

The trends appear to indicate that unions have fared well under the new legislation, particularly in a politically unsympathetic environment. However, the increase in “union friendly” clauses noted may be more a sign of union insecurity than confidence. With unions facing an increasing number of employers, who over time wish to see the unions’ role minimised or marginalised, the formalisation of what may have previously been custom and practice or informal rights for unions in organisations are now being inserted in agreements. Unions have reacted to the current environment by seeking to safeguard their rights where they have the negotiating clout to do so. While it would be unwise to ascribe these changes directly to the different legislative regimes, the Federal government’s attitudes and the resultant signal it sends to stakeholders has the tendency to influence practice. As a result unions are no doubt feeling the pressure in an environment where the government is less than sympathetic to their role and position.

Another factor adding to the increased presence of union recognition clauses in agreements has been the process of award simplification. The impact of award simplification and subsequent loss of union recognition clauses as an award matter has meant that unions are now pushing to include as many union recognition provisions as possible in agreements instead.



innovative provisions

Innovations in granting wage increases

Recent analysis shows that agreements are moving away from standard percentage increases to wages and towards a combination of a fixed wage increase with a performance-based component. The first agreement, from the local government sector, is an example of this. In addition to a flat pay increase on certification, employees also receive a wage increase if they achieve certain key performance indicator (KPI) targets. This clause is innovative because unlike most other KPI-related pay increases, employees still receive a proportion of the performance related pay increase if they get close to, but do not actually meet, the specified targets. In other words, the traditional 'all-or-nothing' at-risk method of wage increases gives way to a consideration of genuine attempts of meeting the required levels of productivity.

Further alternative options for gaining wage increases have also been identified in recent agreements. The coal mining industry agreement stipulates that the workforce may choose between three different ways of receiving increases in their earnings. Employees have the option of receiving either: a flat increase of their base rate of pay over the life of the agreement; a lower base rate increase plus an additional annual increase if specific performance indicator targets are met; or a lower base rate increase in addition to a weekly increase in performance-related superannuation payments. Through the process of a majority vote, the employees choose the mechanism that determines the wage increases that will operate.

A somewhat different, but interesting, method of providing wage increases can be seen in the transport industry agreement. In substitution of a wage increase, an additional 12 days leave per year is granted to employees. Whilst there has been a trend in recent years to grant entitlements to employees partly in lieu of some wage increases, seldom has there been a complete substitution.

The metal manufacturing industry agreement moves away from standard management practice of determining and allocating quantum wage increases. By granting power to the company's joint consultative committee, of which employees play a significant role, the agreement aims to eradicate existing wage disparities between employees. The joint consultative committee has the ability to grant specific quantum wage to workers, demonstrating a significant shift in the decision making process.

LOCAL GOVERNMENT SECTOR

“5.0 WAGES, SALARIES AND ALLOWANCES

5.1 Date and period of operation including wage and salary increases

1 Effective from 01 July 2001 a 3.7% pay increase or \$21.00 per week, whichever is greater will apply to all wages and salaries.

2 Effective from the first pay period in July of each subsequent year of this agreement and the fiscal year immediately following the expiry of this agreement, a productivity based pay rise will apply to all wages and salaries except where otherwise provided for in this agreement. The Pay Rise will be determined by the Overall Performance for the entire Council workforce for the fiscal year (July to June) immediately preceding the one to which the Pay Rise applies. The bases of the productivity-based pay rise system are as described in Clauses 2.1 to 2.6.

2.1 There are seven KPIs as listed in Attachment 4, each with a weight of 4. All KPIs have Council-wide relevance and can be influenced by all employees doing their individual best as part of the Council team. Targets for KPIs shall be set by the Enterprise Bargaining Implementation Unit not later than 30 June in the fiscal year preceding the one to which they apply. Achievement of the target for each KPI will result in a score of 4 for that KPI. For example, if the target for the Sick Leave Rate KPI was set at 3 days per employee and the actual result at the end of the year was 3 or lower, the maximum score of 4 would be awarded.

2.2 There are encouragement points attached to each KPI. Two encouragement points will be awarded for an end-of-year KPI result that is within 2.5% of the target and one point if the result is between 2.5 and 5.0% of the target. For example, if the target for the Sick Leave Rate KPI was 3 days per employee and the actual result at the end of the year was only just higher than the target, say between 3.01 and 3.08, a score of 2 would be awarded instead of 0 as in Enterprise Agreement No 3. If the end of year result was between 3.09 and 3.15, a score of 1 would be awarded. If the end of year result was higher than 3.15, there would be no points awarded. (See Attachment 4 for the full range of encouragement points for all seven KPIs.)

2.3 The total score for all seven KPIs at the end of each fiscal year, expressed as a percentage of the maximum possible score for the year (28), is the Overall Performance for that year. For example, a total score of 22 gives an Overall Performance of 78.6% for the year.

2.4 The overall performance in one year determines the pay rise for the next year (including the commencing pay rise for the fiscal year immediately following the expiry of this agreement) - the better the performance, the higher the pay rise for the following year. The Base Pay Rise Range is established around a Base Consumer Price Index of 2.08% set at an Overall Performance of 25%. The Base Pay Rise Range is from 1.38% for 0% overall performance to 4.17% for 100% overall performance. For example, if the overall performance at the end of a year were 75%, the base pay rise would be 3.47% in the following year.

2.5 Pay rises are protected from cost of living increases as measured by the Consumer Price Index (CPI). The latest estimate (based on the Australian Bureau of Statistics Consumer Price Index data for the March Quarter) for the next fiscal year's CPI is used to set the pay rise for overall performance of 25%, provided that if the latest estimate of CPI is less than 0.75%, 0.75% will be used. For example, if the latest CPI estimate in any year for the next year was 3%, then 3% would be the pay rise resulting from an overall performance of 25% during the preceding year and the range would be from 2.05% for 0% overall performance to 5.85% for 1 00% overall performance.”

COAL MINING INDUSTRY

“8.2 Future Wage increases

Wage increases will be based on the following Options.

Choose option:

01/01/01	01/07/02	01/01/03	01/07/03	01/01/04	01/07/04
Option A Base rate increase 2.0%	Base rate increase 0.5%	Base rate increase 4.5%		Base rate increase 2.5%	
Option B Base rate increase 2.0%	Performance payment as per detailed below	Base rate increase 4.0%	Performance payment to be paid as per formula	Base rate increase 2.0%	Performance payment to be paid as per formula
Option C Base rate increase 2.0%	\$5.00 per week superannuation increase based on achievement of performance as detailed below	Base rate increase 4.0%	\$5.00 per week superannuation increase based on achievement of performance as detailed below	Base rate increase 2.0%	\$5.00 per week superannuation increase based on achievement of performance as detailed below

Footnote:

1. After results are known for the year end 30/06/02 the workforce ie. the employees party to the Agreement, choose by majority vote, either Option A, B or C which then applies for the remainder of the agreement (any individual can not have a different payment to the remainder of the workforce).

NB: Selecting Option ‘A’ or ‘C’ means that no part of the performance payment applies.

2. Performance payments can be salary sacrificed into superannuation.



Performance Payment

a) The performance-based incentive payment allows for the sharing of business success based on the achievement of FOB Cash Cost / tonne and SVA targets in the years ending 30 June 2002, 2003, and 2004. This lump sum payment in July/August of each year is solely for permanent employees.

b) Formula for calculation

The formula for calculating the payment is to be applied to an employees base rate and is on the basis of:

* 1% based on achieving mine site FOB cash costs target as per the amount listed in the table below and;

* 1% based on achieving or exceeding the divisional SVA target as per the amount listed in the table below.

The targets will reflect the budget for the respective years and will be discussed prior to 1 July 2001, 2002 and 2003.

c) Additionally should divisional SVA be above the targeted amount by \$5M or more, then in each year, 1% of an employees base rate paid as an additional incentive payment shall be paid per \$5M increment above the target.

Superannuation Option

For the purposes of Option C achievement of targets detailed in part (b) Performance Payments above will trigger the increase of \$5.00 per week in superannuation in lieu of the lump sum performance payment. This will occur on the basis of \$2.50 per week for each of the targets as listed in part (b) above.

NB: The incentive payment referred to in part (c) above does not apply to Option 'C'."

TRANSPORT INDUSTRY

"16. Leave

16.1 An additional 12 days leave per year is in substitution of a wage increase during the life of the Enterprise Agreement."


*METAL MANUFACTURING INDUSTRY***“3.10.1 Wages increases – 2001-2**

Wage increases shall be paid in addition to the rates being paid at the time of the signing of the Agreement:

A wage increase of 8.427% in global increased cost to the Company from current direct normal time wages cost, shall be paid in the first full pay period after registration of the agreement.

A wage increase of 10.664% in global increased cost to the Company from current direct normal time wages cost, shall be paid in the first full pay period 52 weeks after the registration of the agreement.”

sick leave

Innovations in sick leave entitlements continue in agreements, both in terms of payout of accrued entitlements and also additional entitlements. These provisions indicate that there has been an attempt to utilise sick leave in more innovative ways than simply allowing employees to cash out their yearly entitlements. This has seen the development of sick leave provisions which provide employees with a financial benefit and a sense of security whilst reducing absenteeism at the workplace. The first provision from the recreational services industry provides the option for an employee to convert their accrued sick leave to their annual leave entitlement so long as the employee maintains a balance of 152 hours of sick leave.

The second agreement, from the brewing industry, provides additional sick leave in an attempt to optimise attendance levels at the workplace. This agreement provides employees with six months paid leave if they are seriously ill or injured. Certain criteria must be met before payment of six months leave will be allowed. The third provision, which is found in an agreement from the food manufacturing industry, provides a higher level of financial security for employees who have a long period of service with their employer and who suffer a serious illness. This provision indicates that employees who have more than 10 years consecutive service will receive an additional amount of paid leave equivalent to 50% of their accumulated sick leave once their accumulated sick leave has been exhausted. However, this entitlement only applies to employees who have a continued absence due to hospitalisation and post-hospitalisation recovery periods.


RECREATIONAL SERVICES INDUSTRY

“10 Sick Leave

10.6 Accrued Sick Leave may be converted to annual leave at the request of the employee in the first period in December provided that the employee maintains a credit of 152 hours sick leave. This is the maximum entitlement under this agreement.”

BREWING INDUSTRY

“13. Sick Leave

Generally Brewery Technicians are provided with a non specific sick leave system as described below.

The principles in providing this benefit are:

- Brewery Technicians are provided with up to six months paid sick leave if seriously ill or injured.
- In providing such a benefit the Company is aiming to optimise attendance and therefore reduce absenteeism.

Adequate paid leave will be available to Technicians (other than casuals) unable to attend work as a result of illness or injury. The Company will approve reasonable requests for sick leave. Medical certificates must be provided when requested. The Company reserves the right to review the continuation of paid sick leave and the provision of non specific sick leave benefits in individual cases. In the case of prolonged absence the Company will review the continuation of paid sick leave at various times during the absence and at least after 3 months of absence. Only in exceptional circumstances would paid leave continue after six months. During such reviews to decide on the continuation of paid leave or otherwise the Company will consider:

- The nature and seriousness of the illness or injury
- The likelihood of a full return to work
- Medical advice provided to the Company by the treating, doctor and/or the Company doctor.
- The ability to undertake a graduated return to work.”

FOOD MANUFACTURING INDUSTRY

“39. Hospital Leave:

After 10 years continuous service, employees will be eligible to receive an additional amount of paid leave equivalent to 50% of their accumulated sick leave (at the time of taking Hospital leave) once they have exhausted their accumulated leave. This leave applies only to the continuous absence associated with hospitalisation and post-hospitalisation recovery periods. Suitable medical evidence will need to be supplied to support claims for this leave.”



annual leave loading

Annual leave loading has also been utilised to provide employee benefits and to create more innovative ways of varying an employee's annual leave entitlements instead of simply offering a 'cash out' option. The benefits are not only for employees, but these types of arrangements can also provide an advantage for employers as they aid in the reduction of staff turnover and the maintenance of employment levels at peak production periods.

The first innovative practice was found in a hospitality industry agreement where an employee's annual leave entitlement increases for the first three years of service. This type of provision rewards continuity of service and could potentially minimise staff turnover.

The second agreement, from the wine manufacturing industry, provides a system that enables an employee to exchange their leave loading for additional days of annual leave. Here, an employee can exchange the 17.5% leave loading for 5 extra days leave. However, this additional leave can only be granted when production operations are at a minimum.

HOSPITALITY INDUSTRY

"12.3 Payment of annual leave

Annual leave loading for each completed year of service will be paid in accordance with the following:

Years of continuous service	Percentage
First Year	12.5
Second Year	15
Third Year	25

Annual leave loading is only payable on leave that has become due."

WINE MANUFACTURING INDUSTRY

"11.4 Leave Payment and Loading

A loading of 17.5% will be paid on the consolidated rate for four weeks annual leave. By mutual agreement, to promote a more flexible working arrangement; an employee can take up to five additional days leave in lieu of the 17.5% loading.

This leave would be taken out of the vintage period when the operations are at their lowest. The extra five days will begin to accrue from ratification on a pro-rata basis".



occupational health and safety

Occupational health and safety provisions have been used in an attempt in some organisations to regulate the level of flexibility being introduced in workplaces. The agreements show that increasing demands for workplace flexibility has had an impact on the regulation and monitoring of 12 hour shifts. One agreement has also allowed employers to move employees to other sites during a disputed safety issue, giving employers increased flexibility but has also constrained an employee's ability to stop work during a bona fide safety issue.

The first agreement from the steel manufacturing industry, includes a detailed clause outlining what is required when 12 hour shifts are used. This provision indicates that not only will these shifts be monitored in line with a code of conduct, but health monitoring procedures, suitable rostering arrangements and proper supervision will also be provided. These highly regulative practices are indicative of a workplace that has implemented a high level of commitment to workplace safety in the operation and working of 12 hour shifts.

The public service agreement indicates that a higher level of flexibility for employers has been achieved through the modification of the dispute resolution procedure. This provision indicates that even if there is a genuine safety issue, the employees cannot unreasonably fail to comply with an employer's request to undertake work at a safe site. Unlike normal dispute resolution procedures, which enable a worker to stop work due to a safety issue, the employer in this case can request employees to continue work at another safe location

The construction industry agreement provides a monetary benefit in recognition of the importance of having a safety officer at the workplace. Instead of providing the traditional first-aid allowance, an employee who holds the position of Workplace Health and Safety Officer will be paid an additional 5% of their wage as well as the Leading Hand rate. Again this provision is indicative of a workplace that is attempting to provide a level of recognition for employees who have a higher level of accountability than a first aid officer.


STEEL MANUFACTURING INDUSTRY

“13. Hours of Work

D (ii) By arrangement between an employer, the union or unions concerned and the majority of employees in the plant or work section or sections concerned, ordinary hours not exceeding twelve on any day may be worked subject to:

- 1) The employer and employees concerned being guided by the occupational health and safety provisions of the ACTU Code of Conduct on 12 Hour Shifts;
- 2) Proper health monitoring procedures being introduced;
- 3) Suitable roster arrangements being made; and
- 4) Proper supervision being provided.”

PUBLIC SERVICE

“11. Dispute Resolution

- 11.1 (f) the parties agree that during the time when the parties attempt to resolve the matter:
- i. The parties continue to work in accordance with their contract of employment unless the employee has a reasonable concern about an imminent risk to his health or safety; and
 - ii. Subject to relevant provisions of any State and Territory occupational health and safety law, even if the Employee has a reasonable concern about an imminent risk to his health or safety, the Employee must not unreasonably fail to comply with a direction by his Employer to perform other available work, whether at the same workplace or another workplace, that is safe and appropriate for the Employee to perform.”

CONSTRUCTION INDUSTRY

“1.10 Workplace Health and Safety Officer

Where there company appoints a duly accredited Workplace Health and Safety Officer, he/she shall be paid 5% more than his/her calling plus the appropriate award leading hand rate for employee supervision.”



casual employee entitlements

Casual employment can leave such employees with less security and entitlements than permanent workers. Two enterprises have attempted to alleviate this problem by granting casual employees some of the rights enjoyed by full-time and part-time employees in return for commitment.

The first agreement comes from an enterprise in the wine manufacturing industry. It enables casual employees to bank two hours of pay per week providing that they have worked a minimum of thirty-two hours that week. They may then choose to have these hours paid out to them, with casual loading, during periods when they are stood down or when they are unable to work.

Similarly, another agreement from the wine manufacturing industry states that casual employees who have worked a certain number of hours for the enterprise, for a specific period of time, will be entitled to additional benefits. These include the granting of the same termination and redundancy provisions, and the same procedural fairness conditions as full-time and part-time employees that provide employment protection.

WINE MANUFACTURING INDUSTRY

“4.4.2 Casuals Banking Ordinary Hours

The banking of hours for casual employees (whether it is overtime or ordinary time hours that are banked) is primarily to provide for them to accrue some hours to cover for those times when they are stood down (either due to lack of work or annual close-down) or when they are unable to attend rostered work due to illness.

(a) Casual employees can elect to bank up to two (2) hours per week of ordinary time, provided that they have worked a minimum of 32 ordinary hours in that week, and provided that the total of hours banked that week (including banked overtime hours) does not exceed two (2). Any casual employee who does wish to bank ordinary time hours must advise the Payroll Officer in writing.

(c) Banked hours taken off will be paid at the employee's ordinary rate of pay. For a casual employee, the ordinary rate of pay will be time plus the 20% casual loading.”



WINE MANUFACTURING INDUSTRY

“15.2.1 Definitions

‘Regular Casual Employee’ means:

15.2.1.1A person engaged as a Casual Employee who has worked at least 1000 hours in a year of service commencing from the date of their engagement (‘the qualifying period’) and who is subsequently employed in the year following the qualifying period for at least 736 hours; OR

15.2.1.2A person engaged as a Casual Employee who has worked in at least forty (40) weeks with an average of at least 10 hours per week in the qualifying period, and subsequently employed in the following year in at least twenty eight (28) weeks with a minimum average of 10 hours per week.

Such a person will be classified as a Regular Casual Employee from the date of commencement of work in the year following the qualifying period.

1 5.2.2 Conditions

Regular Casual Employees will be:

15.2.2.1 Employed on an ongoing basis (namely, from the date of their engagement by the Company, including any stand downs as provided in this sub-clause) and engaged under one continuous contract of employment commencing from the date of their engagement by the Company;

15.2.2.5 provided work in preference to seasonal Casual Employees or new Employees or external labour hire/contractors unless the Company needs to recruit persons that possess particular skills and those skills can not be readily obtained by Regular Casual Employees within the period in which the Company requires persons who possess those skills and equipment;

15.2.2.6entitled to the termination and redundancy provisions that are applicable to full time and part time employees as set out in the relevant Awards. Any entitlement will be calculated based on average number of ordinary hours worked in the preceding twenty four months and paid at the Regular Casual Employee's ordinary rate of pay as outlined in Appendix C of this Enterprise Agreement which will not include the 20% Casual loading;

15.2.2.7Given the same procedural fairness in accordance with Sub-Clause 23.3 of this Enterprise Agreement, as afforded to full time and part time employees, in relation to conduct/performance matters.”



other innovations

- 1) The financial services industry provides an innovative performance benefit that takes the form of a training subsidy. This provision indicates that if an employee receives a high rating in their performance appraisal then they will receive a training subsidy of \$500. This is to be used for development/training programs. It also indicates that this benefit is cumulative if the same level of performance rating is received two years in succession. This training subsidy is in addition to the performance payment that an employee will receive. Hence an employee is rewarded by a combination of monetary and non-monetary forms.
- 2) The tyre manufacturing industry provides severance payments of 3 weeks pay for each year of service. In addition, employees will be provided with one extra weeks pay for every year that industrial harmony is maintained at the site and as long as there are no further claims made in association with these redundancy entitlements. This type of provision is aimed at ensuring that employees receive some benefit from minimising the level of industrial disputation that occurs at the workplace.
- 3) The food processing industry agreement provides an innovative junior wage system by departing from an age based pay system for juniors to one that recognises years of service and level of competency displayed by the employee.

FINANCIAL SERVICE INDUSTRY

“8.2 Performance Review Increase

8.2.4

In addition to the performance payment in 8.2.3, employees who are at the top of their level and receive a performance rating of 4.25 or above, will receive a once off training subsidy of \$500. The training subsidy is to be used for self-development/training programs. This payment is cumulative over 24 months if a rating of 4.25 or above is achieved two years in succession. HR will provide the staff member with a list of approved courses, or the staff member may seek approval for a course of their own choice from the HR Manager or his/her delegate.”

TYRE MANUFACTURING INDUSTRY

“ Appendix 1. Redundancy Package

2. Payment for completed years of service:

- Three weeks pay for every completed year of service or part thereof.
- One extra weeks pay for every completed year of service or part thereof, provided that industrial harmony is maintained on the site and that there are no further claims associated with this redundancy package.
- Employees with less than one completed year of service will be paid four weeks minimum.”

FOOD PROCESSING INDUSTRY

“23. Wage Rates

Junior Employees shall be paid the appropriate percentage of the relevant adult classification as detailed in the table below:

Under 16 years	50%
16 years and under 17 years	60%
17 years and under 18 years	70%
18 years and under 19 years	80%
19 years and under 20 years	90%
20 years and over	100%

Other than in the case of a trainee, a junior employee with more than two (2) year’s continuous service with the same employer shall be paid at the appropriate adult rate.”

technical notes

method for calculating average annual percentage wage increases (AAWI) per agreement

The total wage increase granted over the life of the agreement is divided by the number of months for which the enterprise agreement operates. This figure is then multiplied by twelve to generate an estimate of what the increase would be over a twelve month (annual) period. Estimates of average wage increases are calculated for those agreements that provide for a quantifiable wage increase. Not all agreements provide sufficient information to calculate annual wage increases embodied in them. The majority, however, report either what the rate of increase is or provide sufficient information to calculate it. Flat dollar increases are converted to a percentage by either: a) using the weekly rate of pay that applied prior to the new rates under the new agreement to calculate the equivalent percentage amount, or b) contacting the employer party to the agreement (AWAs excepted). ACIRRT also uses a simple rather than compound percentage wage increase.

The wage increases are those that affect ordinary weekly earnings (base rates of pay). AAWI figures do not include payments in addition to base rates (such as overtime, bonus payments, one-off annualisation of salaries, performance pay, profit-sharing, allowances etc). Wage agreements whose average percentage increase could not be quantified (eg, those introducing a new salary structure) are also excluded from these estimates.

Due to delays in the registration process, some agreements will only run officially for a couple of months. Where it is apparent that the official duration of the agreement is unduly short (ie. less than 9 months), such agreements are excluded from the calculations so as not to artificially raise the estimate of average annual increases contained in all agreements.

The all current wage estimates are the AAWI per agreement for all quantifiable agreements that are yet to reach their nominal expiry date as at the end of the specified quarter.

Sample

As at December 2001, the ADAM Database has information on 9,198 registered enterprise (collective) agreements from the Federal and State jurisdictions as follows:

Federal (4384), New South Wales (1653), Queensland (1644), South Australian (589) and Western Australian (928).

The ADAM Database also holds information on federal Australian Workplace Agreements covering 1189 employers (of the current total of 3738 employers with approved AWAs).

report written by

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about the ADAM Database

Since 1993, ACIRRT has maintained the Agreements Database and Monitor (ADAM), Australia's most comprehensive and authoritative database of enterprise agreements. With detailed up-to-date information on over 9,000 federal and state enterprise agreements and over 1000 federal AWAs, ADAM is an invaluable resource that is frequently used by IR/HR practitioners, economic analysts, researchers, policy makers, and academics. Information from the ADAM Database is available in two ways:

1. the quarterly ACIRRT *ADAM Report* (via purchase of single issues)
2. customised 'ADAM Special Reports' which are fee for service reports tailored to your information needs

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about ACIRRT, University of Sydney

Based at the University of Sydney, ACIRRT is one of Australia's leading, multi-disciplinary, research and training organisations. We monitor and analyse the changing nature of work. Integral to this is an examination of the wider institutional, economic and social structures as they impact on the workplace, organisations and individuals. The Centre, over the past 10 years, has retained a broad labour market perspective, and enjoys a reputation for independent, authoritative, rigorous and innovative research. We are proud of the fact that our clients include employers from the private and public sectors, employer associations, unions, community based organisations and both Coalition and Labor Governments.

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