

Agreements Database And Monitor REPORT

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wage trends

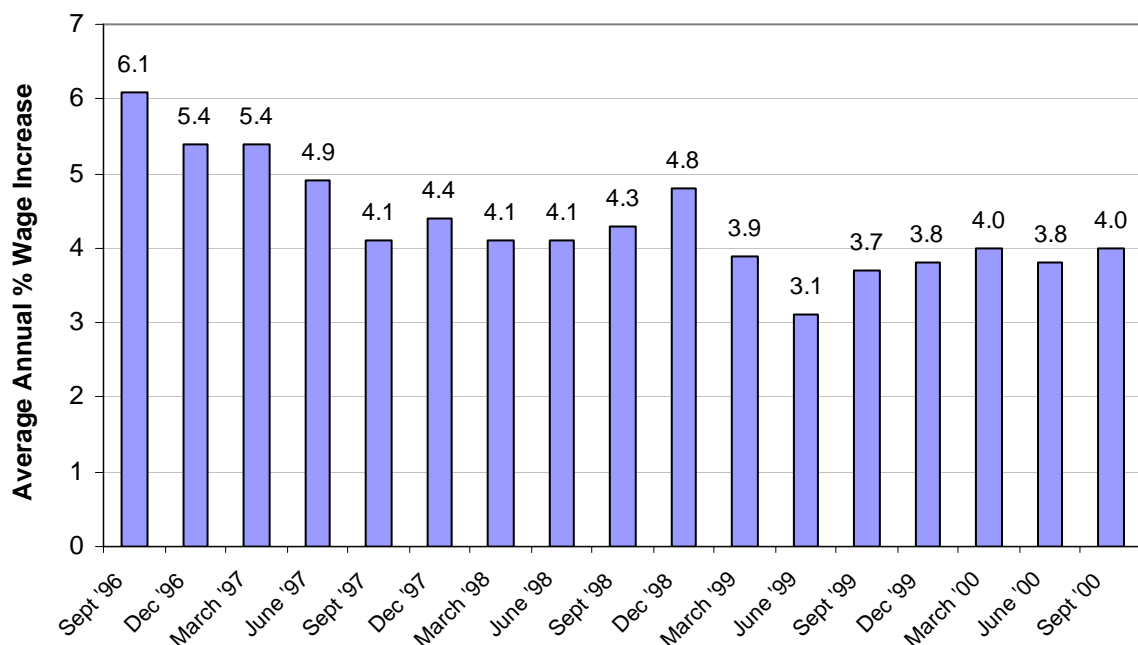
wage increases in September 2000 quarter certified agreements

The average annual wage increase for certified enterprise agreements registered in the September 2000 quarter was 4% (per agreement), up by 0.2 percentage points from 3.8% in the June 2000 quarter.

quarterly wage movements in enterprise agreements

The September quarter figure confirms earlier forecasts that wage outcomes in 2000 would rise but not in any significant form. In fact, the rise is particularly modest considering that the first round of agreements from Campaign 2000 form part of the September quarter. Figure 1.1 depicts the quarterly movements in wage outcomes over the last four years. The figures show that wage outcomes have stabilised since September 1997, in most cases erring around the four percentile mark (with the exception of the December 1998 quarter).

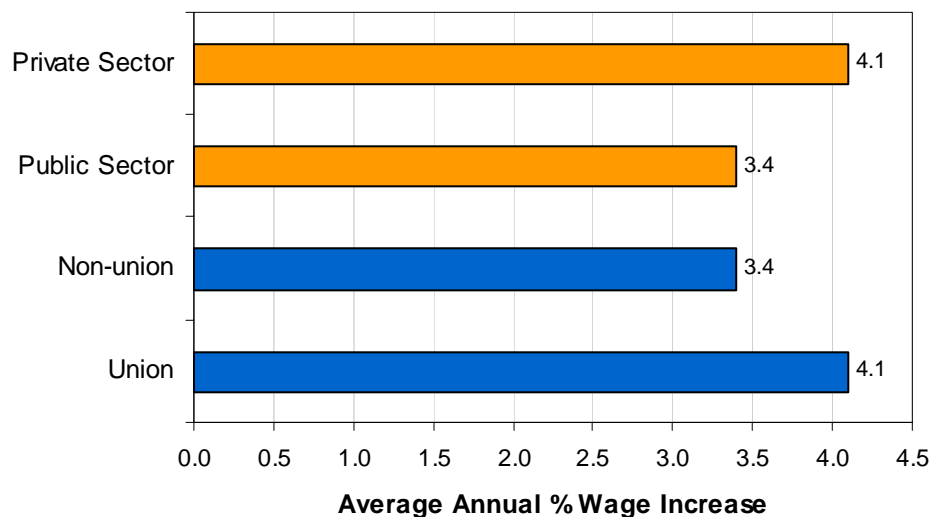
Figure 1.1: average annual percentage wage increases in enterprise agreements: quarterly figures, September 1996 – September 2000



Source: ADAM Database, 2000, ACIRRT, University of Sydney, December

The difference between public (3.4%) and private (4.1%) sector agreements in the September quarter has slightly narrowed to 0.7 percentage points from a gap of 0.9% in the previous quarter (see Figure 1.2 below). The margin between union collective and non-union collective agreements has widened once again in the September quarter, with non-union agreements delivering a wage increase 0.7 percentage points less than its union counterpart (3.4% and 4.1% respectively).

Figure 1.2: September Quarter Average Annual Percentage Wage Increase, by Public/Private Sector and Union/Non-union



Source: ADAM Database, 2000, ACIRRT, University of Sydney.

high wage outcomes in September quarter agreements

An examination of September quarter agreements that have produced 'above average' wage increases found that reaching performance targets and productivity improvement are the key aims in such agreements. Absorption of allowances and penalties was also common in the construction industry agreements. Compensation for increasing management flexibility in rostering hours of work arrangements also appeared to be used on various occasions. This occurred in construction, warehousing and public administration agreements. Classification structures and training opportunities were also addressed. Table 1.1 below outlines the main aspects of the high wage agreements.

Table 1.1: key features of high wage increases in September quarter enterprise agreements

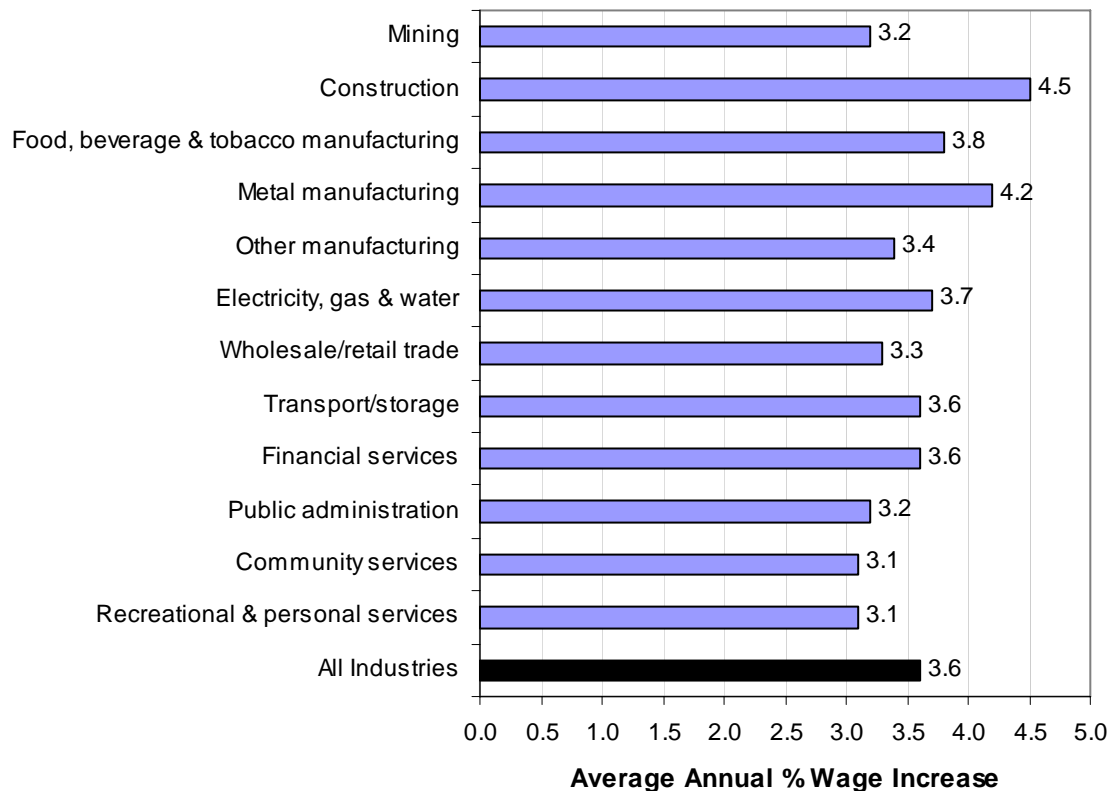
Industry (AAWI)	Key Provisions
Plumbing (AAWI 10.5%)	<ul style="list-style-type: none"> 21% guaranteed and paid over a two year period. Increase was the result of absorbing various allowances such as tool, travel, plumbing trades allowance, industry allowance and so on. Overtime and penalty rate payments not absorbed Incentive bonus - all employees receive 1 week's pay each year in recognition of their ongoing commitment to improve productivity Wage increases and bonus payments introduced as compensation for the implementation of a new classification system which was introduced to improve efficiency within the workplace
Plumbing (AAWI 7.34%)	<ul style="list-style-type: none"> 15.9% guaranteed and paid in four instalments over a 2 year period Trade off - increase given due to an increase in flexibility of hours (work cycle flexibility), and incorporation of provisions of the award into agreement Plumbing Trade and Industry Payment (PTIP) - increase in hourly rate due to the absorption of allowances from award which covers allowances for insulation work, bitumen work etc Similar wage outcomes and provisions have been found in several agreements that cover workers from this industry. Pattern bargain arrangements have been identified
Metal coating (AAWI 6.79%)	<ul style="list-style-type: none"> 6% guaranteed and paid in two instalments. 4% at the date of certification, and 2% 12 months from certification Additional 2% per annum wage increase linked to achievement of KPI targets (this equates to 2.5% for the duration of this 15 month agreement) Bonus payment - Possibility of earning an additional payment (of 2% of salary) per quarter over the life of the agreement if performance targets are met By agreement of both management and employee, RDOs can be saved and used in a block at a later date Introduction of KPI system in order to increase productivity and efficiency levels generated within the business
Metal coating (AAWI 6.3%)	<ul style="list-style-type: none"> 6% guaranteed and paid in two instalments. 4% at the date of certification and 2% 12 months from certification. Additional 1.5% per annum wage increase linked to achievement of KPI targets (this equates to 1.88% for the duration of this 15 month agreement) Bonus payment – possibility of earning an additional payment (of 3.5% of salary) per quarter over the life of agreement if performance targets are met Wage increases and bonus payments implemented in order to increase productivity and improve efficiency. Career paths also implemented to encourage shop floor workers to undertake external training beyond that required in their current position
Warehouse (AAWI 6.25%)	<ul style="list-style-type: none"> 12.5% guaranteed and paid in two instalments over a 2 year period Trade off - weekly wage rate increased as a result of an increase in flexibility of rostering. Start and finish times for any shift can be changed at employer's discretion Wage rate has absorbed all allowances and special rates from the relevant awards. Overtime payments still apply KPIs have also been introduced in order to improve productivity and to reduce warehouse costs. However, KPIs are not linked to any wage increase or bonus payment
Local government admin (AAWI 6%)	<ul style="list-style-type: none"> 12% guaranteed and paid in one instalment covering a 12 month period Trade off - increase in rostering flexibility to accommodate circumstances such as seasonal work cycles, and peak work periods. However, the appropriate notice and consultation with staff must occur before these changes are implemented New wage rate has absorbed allowances and special rates that were set out in award, apart from meal and first aid allowance Introduction of employee incentive scheme. If employer implements a proposal that has been created by an employee, then that employee will be rewarded in a form determined by the employer

Source: ADAM Database, 2000, ACIRRT, September Quarter, University of Sydney.

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

wage outcomes in currently operating agreements

Figure 1.3: average annual wage increases (aawi) in current operative agreements, by industry



Source: ADAM Database, 2000, ACIRRT, University of Sydney.

Note: Current agreements include all agreements which have not reached their stated nominal expiry date as at end September, 2000

wage dispersion

Differences in wage outcomes are common both between and within industries. However, an examination of currently operating agreements (as at the end of the September 2000 quarter) shows that the ranges have narrowed in some industries. The largest range of 13.4% was found in metal manufacturing (which remains unchanged) while the lowest range was evident in the electricity gas and water and food beverage and tobacco manufacturing industries (5.8%). The highest average annual wage increase was given in the metal manufacturing industry of 14.1% per annum, followed by 11.3% in transport and storage.

Table 1.2: high and low average annual wage increases (aawi) in current operative agreements, by industry

Industry	Highest AAWI (%)	Lowest AAWI (%)	Range
Mining	11.0	1.0	10.0
Construction	10.5	0.7	9.8
Food, beverage & tobacco manufacturing	6.1	0.3	5.8
Metal manufacturing	14.1	0.7	13.4
Other manufacturing	10.6	0.7	9.9
Electricity, gas & water	7.2	1.4	5.8
Wholesale/retail trade	7.5	1.0	6.5
Transport/storage	11.3	0.8	10.5
Financial services	9.0	0.7	8.3
Public administration	8.7	0.3	8.4
Community services	9.0	0.5	8.5
Recreational & personal services	9.0	0.5	8.5

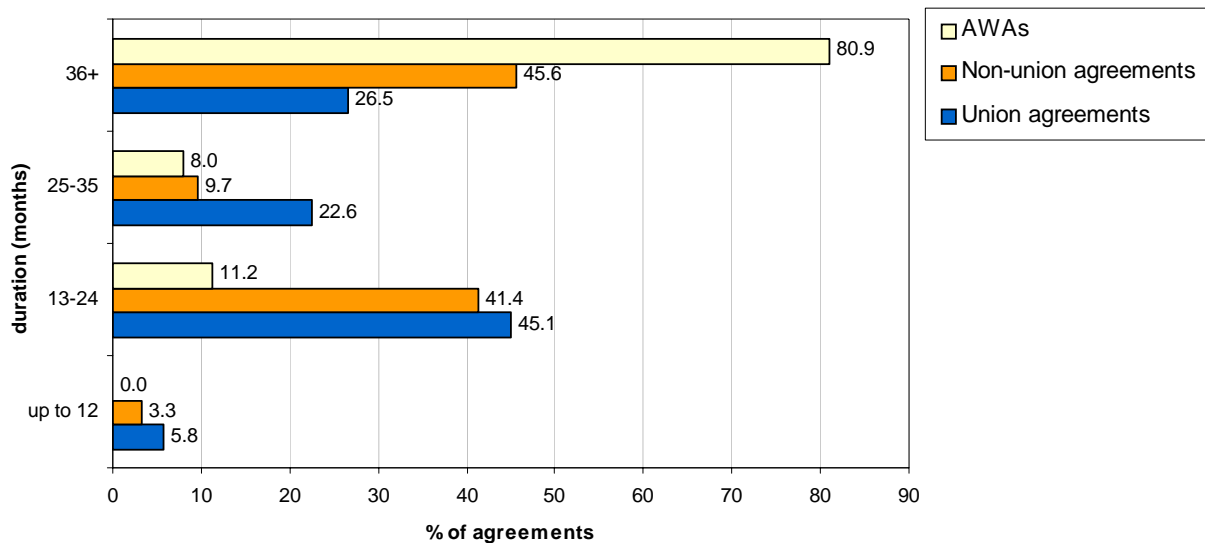
Source: ADAM Database, 2000, ACIRRT, University of Sydney.

Note: Current agreements include all agreements which have not reached their stated nominal expiry date as at end September, 2000

duration of agreements

A closer look at the duration of agreements found that the 13-24 month term was most commonly used amongst the union and non-union certified agreements (45.1% and 41.4% of agreements respectively). Non-union agreements, however, were also just as likely to have agreements that ran for three years or more (45.6%). This compares with only one quarter of union collective agreements (26.5%). AWAs, on the other hand, were much more likely to use the three year term. In fact, just over 80% of agreements ran for the full three years (see Figure 1.4 below). There were also cases where AWAs did not specify the term of the agreement. However, the three year maximum term in such cases applies. Anecdotal evidence also suggests that there are instances where AWAs have reached their nominal expiry date and are not renewed. Technically, the 'expired' AWA still applies until either of the parties seek to rescind the agreement or negotiate a new agreement (or perhaps even return to the award or certified collective agreement).

Figure 1.4: duration of currently operating agreements



Source: ADAM Database, 2000, ACIRRT, University of Sydney.

Note: Current agreements include all agreements which have not reached their stated nominal expiry date as at end September, 2000

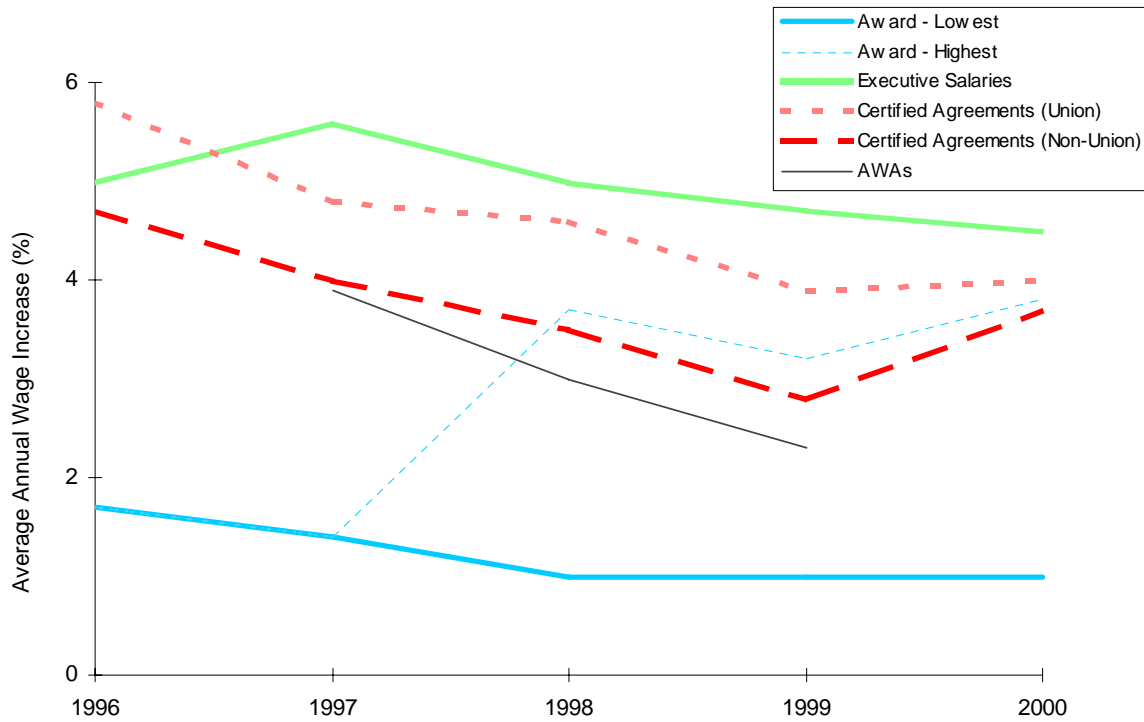
special issue – wage movements under various industrial regulation in Australia

This issue of the *ADAM Report* examines developments in wage movements between different types of employment regulation Australia from 1996-2000. Figure 1.5 depicts these wage movements and shows that executive salary earners continue to receive higher wage outcomes, while award workers and those covered by AWAs are receiving the lowest quantum increases.¹ When examining the award category, two streams are depicted – highest and lowest. Two points illustrate the maximum and minimum percentage wage increases that were obtained by award covered employees. The ‘lowest’ stream refers to those workers on higher award weekly rates of pay (of up to \$1,000). In percentage terms, these workers are effectively receiving lower wage increases relative to those on lower award rates of pay (‘highest’). The two streams are derived by calculating the percentage equivalent wage increase given to high and low income workers when the Industrial Relations Commission hands down a dollar (\$) increase as part of the Safety Net Adjustments. For example, the 2000 Safety Net Adjustment of \$15 per week equates to a 1.5% wage increase for those earning as high as \$1,000 per week and 3.75% for those on the legislative minimum of \$400 per week.

Next to executive salary earners, workers covered by collective agreements are faring better than their AWA or award worker, receiving wage increases of approximately 4% per annum. The margin between union and non-union collective agreements still exists, however Figure 1.5 shows that the margin has narrowed over the years, with 2000 outcomes representing a 0.3% gap.

¹ It needs to be remembered, however, that many AWAs do not report wage movements in percentage form. Wage increases may be provided but it is impossible to calculate from the information contained within them. See pages 10-11 below for more details.

Figure 1.5: movements in wage increases in awards, collective agreements, AWAs and executive salaries, 1996-2000



Sources:

- 1) ACIRRT (2000) *ADAM Report*, No. 24, March, University of Sydney, (Figure 1.2), and ACIRRT, (2000) *ADAM Database*, University of Sydney, unpublished data, March, June and September quarters.
- 2) ABS, *Award Rates of Pay Index*, Cat. no. 6312.0
- 3) Reserve Bank of Australia, 2000, *Semi-Annual Statement on Monetary Policy*, Sydney, various issues

developments in Federal AWAs

The growth in the use of AWAs continues, however at a steady pace. AWAs currently cover a total of 2,663 employers (139,891) employees (see Table 1.3 below). However, it is important to note that these are cumulative figures and various AWAs have since expired or have been rescinded. An important development to note at this stage is the Victorian workers who were previously covered by AWAs and have since been regulated by a separate collective agreement. The Australian Bureau of Statistics (ABS) in their most recent hours and earning survey noted that registered individual agreements only cover 1.8% of the workforce.²

Table 1.3: total number of federal AWAs approved

As at the end of (Qtr):	Total No. of AWAs Approved	No. of Employers Covered by Approved AWAs
September 2000	129,565	2,551
November 2000	139,891	2,663

Source: Office of Employment Advocate, Monthly Releases, November 2000, cumulative figures

comparison of wage trends in AWAs and certified agreements

ACIRRT's ADAM Database currently holds information on a sample of 789 of the 2663 AWAs, representing just under one third of all approved AWAs to date. An analysis of wage outcomes of the AWAs and collective agreements on the ADAM Database that are currently in operation, shows that collective union agreements are delivering higher wage increases than their non-union counterpart and AWAs (3.8%, 3.0% and 2.6% respectively). Under the collective agreements, private sector agreements continue to produce higher wage increases than the public sector. This trend is reversed with AWAs where the public sector provides for 0.5% more than the private sector.

² ABS, *Employee Earnings and Hours, Australia*, Preliminary, May 2000, Cat. no. 6305.0

Table 1.4: aawi in currently operating agreements, by agreement type and union involvement*

	AAWI (%)		
	Union Agreements (n=1383)	Non-union Agreements (n=366)	AWAs** (n=105)
All Agreements	3.8	3.0	2.6
Public Sector	3.3	2.4	2.9
Private Sector	3.9	3.1	2.4

Source: ADAM Database, 2000, 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, 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.

Table 1.5 below highlights the incidence of wage increases in agreement types using two main groups. First, those that provide for a quantifiable wage increase (ie. in percentage terms) and second, those that provide for any form of a wage increase. The second group includes agreements where wage increases are not predetermined or quantified in actual terms. Analysis shows that a quarter (23.9%) of AWAs provide for quantifiable (or actual) wage increases. This compares with 67.3% of non-union collective agreements and 85.2% of union collective agreements.

Taking into consideration other less quantifiable types of wage increases, a larger proportion of AWAs (43.1%) provide for a wage increase during the life of the agreement. However, when the same factors are taken into account with the collective agreements, workers covered by AWAs appear much less likely to be guaranteed a wage increase during the life of the agreement. This becomes twice as important when the statistics show that AWAs are much more likely than collective agreements to run for 3 years or more. Table 1.5 also shows that when wage increases are provided, AWAs are more likely to link them to the achievement of performance targets, productivity improvement or staff appraisals than collective agreements. AWAs are also less likely to use performance bonuses as a reward mechanism and more likely to use individual staff appraisals.

Table 1.5: incidence of wage increases in currently operating agreements, by agreement type*

Provision	% of Agreements		
	Union Agreements (n=1625)	Non-union Agreements (n=544)	AWAs** (n=439)
Only percentage wage increase specified	85.2	67.3	23.9
Any form of wage increase specified (ie. as per CPI, NWCs, %, \$, linked to individual appraisals)	91.1	78.7	43.1
Performance linked wage increases	13.5	8.6	21.2
Performance based bonus payments	18.3	16.2	6.8
Key performance indicators	40.2	26.1	14.4
Staff appraisals	14.4	14.0	27.3

Source: ADAM Database, 2000, 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, 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.

The ADAM Database currently has information on 8186 registered enterprise agreements from the Federal, New South Wales, Queensland, South Australian and Western Australian jurisdictions. The ADAM Database also holds information on federal Australian Workplace Agreements covering 789 employers.

innovative clauses

This edition of the ADAM Report takes a further look at innovative provisions in enterprise agreements and Australian Workplace Agreements (AWAs).

flexible work arrangements

Flexible working arrangements, can be geared to support organisational and worker harmony. The following agreements provide different examples of flexible working arrangements, designed to advantage operational requirements and employee flexibility. The first agreement offers an innovative example of annualised hours, where employees can average their hours of work over a year and excessive hours worked are considered reviewed and (at times) paid out. The next two agreements recognise the importance of reward for flexibility. The private sector agreement aims to provide full time employees with extra remuneration by working extra hours as a casual employee. The public sector agreement also contains extra remuneration for working a straight six-hour shift with a limited break. The final agreement provides an 'all up' remuneration provision, which annualises financial entitlements.

working hours

PUBLIC SECTOR

“15. Hours of Work

Annualised Hours

15.5 All [Company] employees work a system of 'annualised hours', a flexible employment arrangement whereby each employee works a yearly quota of hours rather than a set number of hours per day or week.

15.6 Each full-time employee can be required to work a yearly quota of one thousand, nine hundred and eighty three (1,983) hours. This amount includes leave taken and public holidays (ie an average of thirty-eight hours per week).

15.7 Additionally, [the Company] can require a full-time employee to work a reasonable number of hours in excess of this yearly quota. Such additional hours attract extra remuneration in accordance with clause 17 through the application of the 'Additional Hours' component detailed in Attachment B, subject to the restrictions in sub-clause 15.8.

...

Managing Annualised Hours

15.10 Each employee's yearly quota of hours will be determined prospectively at the beginning of each financial year by the [Company], in consultation with the

employee. In the first year of operation accrued credit or debit hours can be used to establish opening balances.

15.11 The number of hours determined by the [Company] is called the employee's 'specified hours of work'. The 'specified hours of work' figure is recorded in the [Company] and is used as the basis for determining the level of remuneration to be paid to the employee in accordance with clause 17.

15.12 In accordance with sub-clause 15.2 an employee is required to record his or her actual work hours in the [Company]. These actual work hours will be tracked against the employee's 'specified hours of work' recorded into the [Company] at the beginning of the financial year.

15.13 It is the shared responsibility of an employee and his or her supervisor to continually monitor and manage actual hours worked throughout the year to ensure that overall time worked during the year is consistent with the 'specified hours of work' figure determined at the beginning of that financial year. A review of accumulated hours may be requested by either an employee or his or her supervisor at any time.

15.14 At the end of each financial year any difference between an employee's total hours worked for the year and the employee's 'specified hours of work' for that year will ordinarily carry forward to the next year, subject to sub-clauses 15.15 and 15.16...

15.15 In extraordinary circumstances, an employee with an excessive number of hours to carry forward at the end of a financial year can, with Chief Executive Officer approval, be paid a one-off payment to acquit some or all of the excessive carry forward amount. Any claim will be subject to a review of the circumstances leading to the request for payment must be agreed between the employee and his or her supervisor.”

extra hours

HOSPITALITY INDUSTRY

“Can a full-time or part-time Employee earn more money by working extra hours as a casual Employee rather than being paid overtime?

Yes, all full-time and part-time Employees may be multi-hired on a casual basis in a different outlet or section of the Hotel or in different duties within the Hotel. This will only occur upon mutual agreement in writing between the Employee and the Hotel.

What will be the hourly rate of pay for a multi-hire casual?

The hourly rate of pay for a multi-hire casual will be the appropriate casual hourly rate of pay for the duties performed, regardless of whether they are higher or lower level duties in comparison to the Employees' full-time or part-time position.”

shift work

TRANSPORT SERVICES

“8. Introduction of Straight 6 hour shift:

Where it is operationally feasible and cost effective, it is agreed that straight 6 hour shift working on running diagrams will be introduced. Where such shifts are introduced a payment of eight hours will be made for the shift plus any kilometre payment. The maximum limit of 217 kilometres will remain. One personal needs break of 10 minutes exclusive of walking time will be provided off train during the shift and would be taken between 2nd and 5th hour at a recognised relief point.

When day to day reprogramming occurs drivers are not required to work in excess of the 6 hour shift limit unless there is a mutual agreement reached between the Supervising Officer and the driver.”

overtime

TRANSPORT SERVICE

“5. Flexibility

(a) Working Hours: Your working hours will tend to average 40 hours each week over a 12 month period depending upon the seasonal demands of the business and the daily operational requirements of the business.

(b) (i) Any rostered hours worked in excess of the average 520 hours in any 13 week period will be banked in lieu and paid on an hour for hour basis in the following period at the all up rate as defined in clause 6.

(ii) At your request you may carry over any accumulated banked hours and cash them in on any week you are not rostered on, or when you leave our service

(iii) Any hours worked in excess of 50 in any week can either at your choice be:

(a) held over as banked hours in lieu

(b) paid at the rate of 150% for the standard hourly rate for the first 15 hours then 200% thereafter.

(c) (i) By mutual agreement you may elect to work less than an average of 40 hours each week over a 12-month period.

(ii) In terms of our operational requirements, it will be our managerial prerogative, given reasonable notice, to alter the rosters to reflect our view of the current circumstances that may result in the reduction of your shifts to a lower average weekly level of hours.

...

(e) Public Holidays

You will be rostered onto no more than 4 public holidays each year but may in accordance with 5(d) bid for extra shifts if available and be paid at the normal all up rate. If you are rostered onto any more than 4 public holidays (not including Christmas) then you will be paid at the rate 2.5 the normal all up rate.

6. All up rate

Your remuneration package will offer you maximum choice by grossing up over a 12 month cycle all of your legislative financial entitlements of your contract of service. Unless otherwise stated this hourly rate shown in schedule will include components for holiday pay and loading, sick pay, public holiday and weekend penalty rates, meal money, travel allowances, special night allowance, redundancy (see also clause 8), parental bereavement and other such leaves and entitlements set out in the [award].

You will be paid this hourly rate in accordance with the rosters but not including the statutory half-hour break after five hours. This will be your full and only entitlement.”

family friendly

Higher productivity, reduced absenteeism, higher employee morale and greater commitment to the workplace are just some of the benefits that may be gained from introducing effective family friendly working arrangements. The following agreements provide greater flexibility in employment practices allowing employees to balance their employment with personal development and family responsibilities. The selection of agreements below show different types of arrangements. The first two agreements provide leave for pressing domestic circumstances and family emergencies. The third agreement contains a comprehensive personal leave provision, recognising a variety of employee needs. The final agreement recognises the importance of retaining workers and provides paid parental leave for employees expecting children.

domestic leave

PUBLIC SECTOR

“12.9 Pressing Domestic Leave

Subject to the approval of the relevant Department Manager, an Employee absent from work because of a pressing domestic need will be entitled to leave up to one day on each occasion without loss of pay or leave entitlements.”

emergency leave

WELFARE SERVICES

“39. SPECIAL LEAVE

An employee, except a casual employee, may access special leave in the event of personal or family emergencies and such leave shall be without deduction of pay for a period not exceeding the number of hours worked by the employee in two ordinary days work.

Provided that this clause shall have no operation while the period of the entitlement to leave under it coincides with any other period of leave.”

personal leave

PUBLIC SECTOR

“39. PERSONAL LEAVE

39.1. Personal Leave may be approved by the manager for the following:

- illness which includes injury, disease and infectious disease contacts, and examination and testing for illness;
- to provide short-term care and support for a member of an employee's immediate family or household who is ill or who needs respite from caring responsibilities;
- for a reasonable period following bereavement;
- reasonable absences for miscellaneous purposes such as emergencies and significant personal events, such as births, adoption, natural disasters, cultural or religious days of significance, naturalisation ceremonies, moving house, etc; and
- absences for other purposes considered reasonable by the manager.

39.2. No credits will apply to employees and leave taken is with pay.

39.3. Periods of leave of more than three consecutive days for reasons of illness or caring responsibilities must be accompanied by an appropriately detailed medical certificate.

...

39.7. Employees will, where possible, obtain approval in advance for leave. Where advance approval is not received employees will, where possible, contact their manager before 1000 hours on the day of absence.

39.8. Employees must lodge a consolidated leave application, advising reasons for each absence, with their supervisor at the end of each settlement period.

39.9 Non-ongoing employees engaged for periods of six months or less, receive a loading on salary for the duration of their employment, in accordance with Clause 57, instead of Personal Leave.

parental leave

PRIVATE SECTOR

“22. Paid Parental Leave

- (a) An employee who has completed 12 months’ service with the employer will be entitled to four weeks paid parental leave.
- (b) Paid leave of four weeks will be available to the employee whose partner gives birth, or where employee adopts a child, provided that for the period of leave the employee is the child’s primary care giver.
- (c) Should the birth or adoption result in other than the arrival of a child, and the employee concerned has commenced paid parental leave, the entitlement to paid leave remains intact.
- (d) An employee who has completed more than 40 weeks, but less than 12 months service with the employer at the date of birth or adoption, will be eligible for paid parental leave on the basis of the following formula:
$$4 \times (\text{number of weeks completed service}/52) \text{ number of weeks paid parental leave.}$$

All other conditions relating to parental leave apply as per clause 23 of this Agreement.”

incentive schemes

Incentive payments are used to reward and motivate employees for commitment. The private sector agreement aims to reward employees for increased production with extra sick leave entitlements. The second agreement offers a performance bonus designed to recognise individual employee improved performance. The last agreement uses the incentive of providing extra days off for attending staff meetings.

rewards

MINING INDUSTRY

“18. LEAVE

18.1 Sick Leave

18.1.1 Accrual

a) Other than 7 day roster employees

Employees will accrue 105 hours of sick leave per year on the anniversary of their commencement of employment.

b) 7 day roster employees & employees working shift lengths of greater than 8 ordinary hours

(1) Where clean coal production in the previous [Company] budget year is less than 5.13 million tonnes of product coal

For the ensuing year, employees will accrue 105 hours of sick leave per year on the anniversary of their commencement of employment.

(2) Where clean coal production in the previous [Company] budget year is 5.13 million tonnes or more of product coal

For the ensuing 12 month period, all 7 day roster employees will accrue 120 hours of sick leave per year on the anniversary their commencement of employment.”

performance pay

PUBLIC SECTOR

“19. Performance Pay

...

19.3 Following certification of this agreement by the Australian Industrial Relations Commission a five (5) percent performance bonus will become payable in July 2001 and each July thereafter to each employee who has:

- (a) participated in [the Company] performance management scheme for at least nine (9) months (includes periods of paid leave); and

- (b) been appraised as 'fully competent'. An employee can only be appraised as 'not fully competent' if he or she has been, or is being formally counselled about work performance under the provisions of clause 20.

19.4 This five (5) percent bonus will be calculated on the annualised salary being received by the employee as at 30 June each year.

19.5 Additional performance bonus, up to a maximum of ten (10) percent of annualised salary, is available to any employee appraised as 'excellent' or 'outstanding'.

19.6 The parties agree that different performance-based payments are possible and should be expected. Therefore not all employees will necessarily receive the same level of payment. Whilst a fully competent employee is guaranteed a five (5) percent bonus the actual level of final bonus payment will depend on the employee's assessed individual performance.

19.7 For existing staff who have not achieved the maximum annualised salary base in an applicable classification, a three (3) percent increase in 'annualised salary base' will be applied on 1 July each year until the maximum has been achieved (subject to fully competent performance being achieved).

19.8 An employee must participate in the applicable [Company's] performance management scheme, in accordance with the arrangements covering that scheme, for at least nine (9) months to become eligible for the minimum five (5) percent performance bonus and any applicable three (3) percent increase in annualised salary base."

staff meetings

PUBLIC SECTOR

"14 Leisure Time Off and Staff Meetings

It is the intention of this Agreement that permanent staff can accumulate additional time off, called Leisure Time, throughout the year by attending unpaid staff meetings."

absenteeism

Absenteeism, can be a significant cost to employers. In order to reduce the incidence of absenteeism a range of initiatives have been taken in the following private sector agreement. This agreement aims to encourage individual employees to retain the sick leave by providing 'payout' provision. In addition the agreement also provides a collective absenteeism scheme, paid as a percentage of the employee's base wage.

absenteeism

PUBLIC SECTOR

“6 (b) SICK LEAVE PAYOUT PROVISION

To encourage employees to retain their sick leave the following payout provisions will apply:

	Payout	Bank	Bank total
End year 1:	16	24	24
End year 2:	34	30	54
End year 3:	40	24	78
End year 4:	64	--	78
End year 5:	64	--	78

78 hours must become the minimum banked hours and leave taken must be replenished to attain this level. Employees may opt in writing to bank up to 114 hours.

This accumulated leave will only be available to be redeemed at the completion of employment, where the employee has completed 2 years of continuous service with the company.

Leave taken in the first 3 years will be taken from the payout tally, until fully exhausted, prior to deductions from the 'banked' tally. From year 4, leave will be deducted from the bank tally to a balance of 40 hours and will then be deducted from the Payout Bank.

The banked total must always be replenished to 78 hours prior to any payout payments occurring.

Sick leave credit will be reviewed for each employee on their anniversary date and before the addition of the next year's credit i.e. 64 hours, the amount in excess of the stipulated "bank" amount for the appropriate year of service identified.

The excess will be paid out unless the employee elects to increase their "bank".

On termination the employee's existing sick leave credit will have the current year's credit allocation (64 hours) deducted from the total.

Any credit then in excess of the stipulated "bank" amount for the appropriate year of service will be paid out.

...

11(a) ABSENTEEISM BONUS

A collective attendance scheme is in place, which is based upon reducing absenteeism.

Returns from the scheme shall see a quarterly 6.0% increase in base level wages paid if the collective workforce reduce absenteeism to 3.0%”

leave arrangements

Providing adequate leave entitlements can potentially reduce absenteeism while recognising the importance of employee health. The range of agreements below provide innovative leave provisions. The manufacturing industry agreement contains leave for employees injured at work, without loss of pay. Similarly the second agreement provides paid leave for employees wishing to donate blood or bone marrow as well as attending mammogram screenings. The public sector agreement provides a generous sick leave entitlement of 10 days on full pay with an additional 10 days leave on half pay.

accident leave

MANUFACTURING INDUSTRY

“Attendance at Hospital, Etc

...

employee's suffering injury through an accident arising out of and in the course of their employment (not being an injury in respect of which the employee is entitled to workers' compensation) necessitating the employee's attendance during working hours on a doctor, chemist or trained nurse, or at a hospital, shall not suffer any pay deduction for the time (not exceeding four hours) so occupied on the day of accident, and shall be reimbursed by the Company all expenses reasonably incurred in connection with such attendance.”

special leave

PRIVATE SECTOR

“5.7 Blood Donors, Bone Marrow Donors and Mammograms

If an employee other than a casual employee is required during his/her ordinary hours of work to attend a Red Cross Blood Bank for the purpose of donating blood, or having a check for bone marrow type or having a mammogram, he/she shall be granted leave for the time absent from work on each occasion. Such leave shall be paid for at his/her ordinary pay, provided that he/she furnishes to the employer proof of attendance.”

sick leave

WELFARE SERVICES

“28. SICK LEAVE

28.1 (a) In the event of an employee becoming sick and unfit for duty and certified as such by a duly qualified medical practitioner, he or she shall be entitled to 10 days sick leave on full pay and 10 days sick leave on half pay for each year of service.

(b) For the purpose of this clause, illness shall include stress and mental ill health.

28.2 The [organisation] may dispense with the requirements of a medical certificate where the absence does not exceed two consecutive days or where in the [organisation's] opinion circumstances are such not to warrant such requirement. However, failure to provide the necessary documentation or proof of illness if required shall mean that the absence will be deemed as leave without permission and may take the form of leave without pay.

...

28.4 If the full period of sick leave as described above is not taken in any year, such portion as is not taken shall be cumulative up to ten years. There shall be no payment of portions of leave not taken on retirement or termination.

28.5 Sick leave without pay may be granted upon request to the Executive Director. In considering this request, an employee may first be required to use all paid leave entitlements.

28.6 Where an employee has, in accordance with this clause, taken sick leave, the employee shall not be required to work any ordinary hours other than those previously

rostered so as to avoid or minimise the requirement on the Association to provide paid sick leave.

28.7 Sick leave taken due to compensable illness, injury or condition shall be re-credited.”

other innovations

The following agreements provide innovations in two areas. The first agreement provides a vehicle allowance for employees, which includes the use of a bicycle. The second agreement promotes indigenous people and cultural awareness.

bicycle allowance

PUBLIC SECTOR

“17 Allowances

(c) Where employees provide their own vehicles and the vehicles are necessary for the proper discharge of their duties and their use is authorised by the Employer, such employees shall be paid an allowance as under:

Bicycle \$3.50 per week”

cultural awareness

PRIVATE SECTOR

“10. Indigenous People and Cultural Awareness

The Company recognises and respects the importance to indigenous people of traditional values and historical affiliations to the land. As a result, the Company aims to develop mutual understanding and respect between company personnel and indigenous communities and organisations, by adopting a proactive approach to indigenous relations.

During your employment you will be required to support the Company's aims and assist with the achievement of its intentions.”

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 2000, the ADAM Database has information on 8186 registered enterprise (collective) agreements from the Federal and State jurisdictions as follows:

Federal (3884), New South Wales (1485), Queensland (1461), South Australian (489) and Western Australian (867). The ADAM Database also holds information on federal Australian Workplace Agreements covering 789 employers (of the current total of 2663 employers with 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 7,500 federal and state enterprise agreements and over 600 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

For more information or a no obligation customised quote call Betty Arsovska on:

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about ACIRRT

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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