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Agreements **D**atabase **A**nd **M**onitor

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Report

**Number 25
June 2000**

WAGE TRENDS

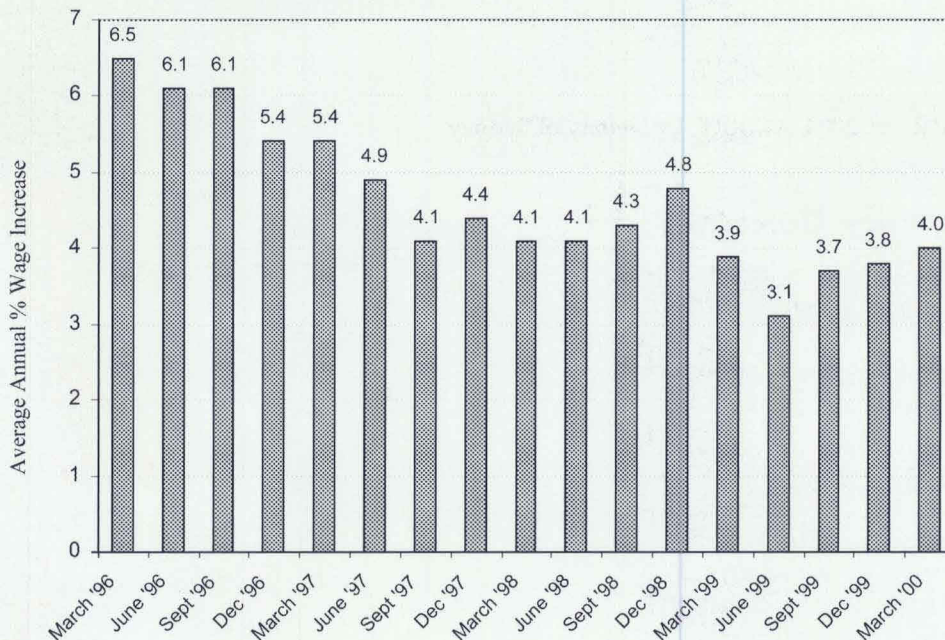
Wage Increases in March 2000 Quarter Certified Agreements

The average annual wage increase for enterprise agreements registered in the March 2000 quarter was 4% (per agreement), up by 0.2% from 3.8% in the December 1999 quarter.

Quarterly Wage Movements in Enterprise Agreements

This increase is the third consecutive increase in quarterly wage movements in agreements. However, as Figure 1.1 shows, the level of increases is relatively small. Wages were predicted to rise, mainly due to an increase in activity surrounding new bargaining rounds and potential GST concerns. However, there have been no signs of a wage break-out in the enterprise agreements sector to date. In fact, wage outcomes have stabilised significantly, particularly since the latter part of 1997. Compared to trends in 1996, when wage outcomes reached their peak, recent quarters have demonstrated a drop by almost 40%.

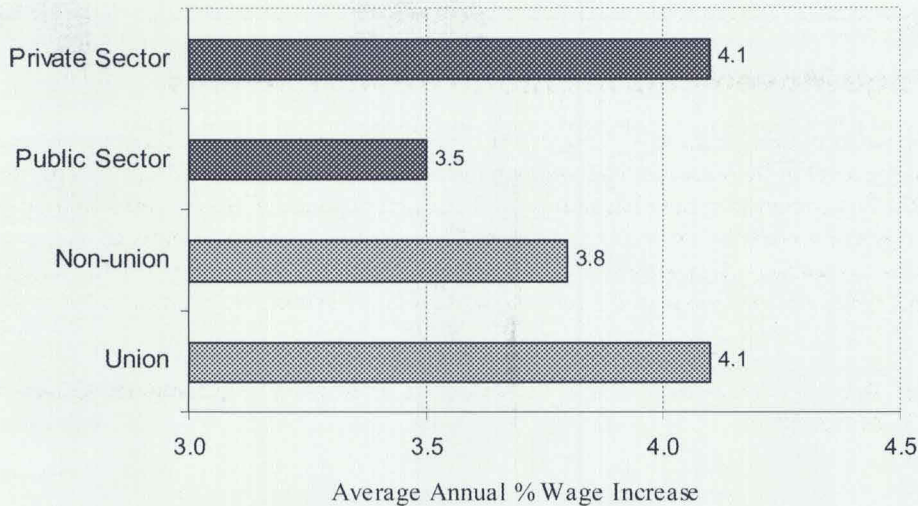
Figure 1.1: Average Annual Percentage Wage Increases in Enterprise Agreements: Quarterly Figures, March 1996 - March 2000



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

A closer analysis of the March quarter trends by public and private sectors shows that the public sector has produced lower wage increases than private sector agreements (3.5% and 4.1% respectively). On the other hand, Figure 1.2 shows that differences in wage outcomes between union and non-union collective agreements have narrowed.

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

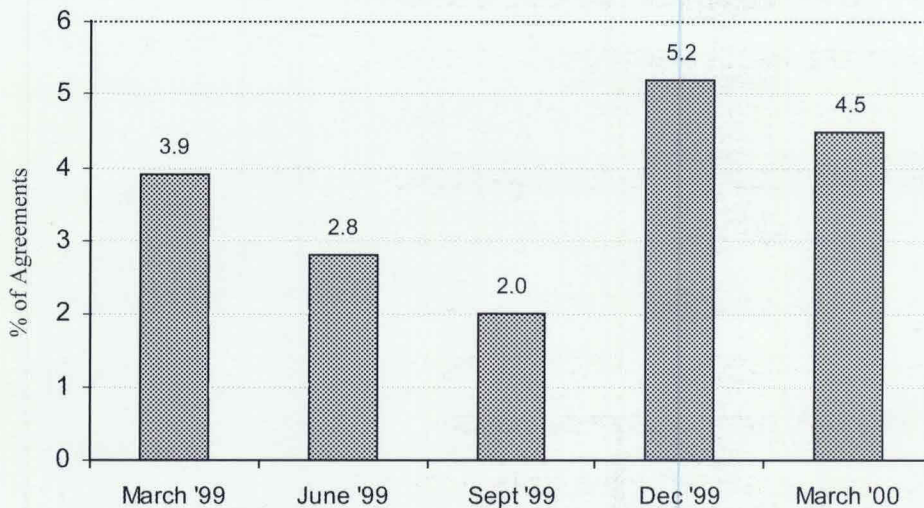


Source: ADAM Database, 2000, ACIRRT, University of Sydney.

GST and Inflation Related Provisions in Agreements

Various organisations use inflationary expectations as an indicator (amongst others such as industry benchmarks, national economic performance, and enterprise performance) when determining the frequency and level of wage increases in enterprise agreements. Agreements may specify that some or all of the wage increases will be determined directly by CPI levels. The GST has now become another factor, however its impact is still uncertain. The ADAM Database has detected that the incidence of CPI related wage increases has more than doubled in the last two quarters, when compared to trends in the first three quarters of 1999 (see Figure 1.3 below). Unions, in a range of industries, have also sought the inclusion of GST clauses in new agreements. The innovative clauses section and Table 1.3 of this issue of the ADAM Report provide some insights into the types of GST clauses in agreements.

Figure 1.3: Incidence of CPI Clauses in Agreements, Quarterly, March 1999 - March 2000

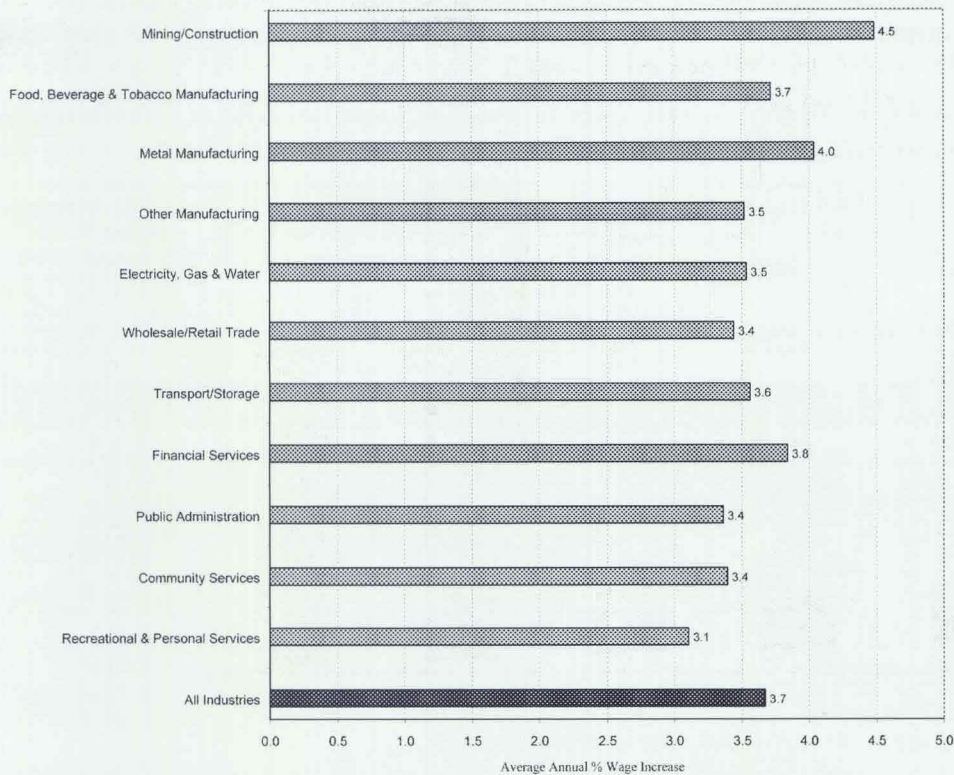


Source: ADAM Database, 2000, ACIRRT, University of Sydney.

Wage Trends in Current Enterprise Agreements

Average annual wage outcomes for all currently operating agreements (as at end March 2000) was 3.7%, unchanged from the previous quarter (see Figure 1.4). The largest increases still remain with the mining/construction industry group, metal manufacturing and financial services.

Figure 1.4: Average Annual Wage Increases 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 March 2000.

Wage Dispersion

Differences in wage outcomes are a common occurrence in enterprise agreements both between and within industries. However, an examination of agreements current at the end of the March 2000 quarter shows that, although still significantly large, the range of wage outcomes within each industry has not changed much since the previous quarter. This suggests that more recently registered agreements have not produced sporadic bouts of extremely high average annual wage increases. Table 1.1 highlights the wage ranges for the major industry groups for currently operating agreements. The largest difference was found in the recreational and personal services industry of 13.5 percentage points (lowest AAWI of 0.5% and highest AAWI of 14%).

Table 1.1: High and Low Average Annual Wage Increases in Current Operative Agreements, by Industry

Industry	Highest Average Annual Wage Increase (%)	Lowest Average Annual Wage Increase (%)
Mining/Construction	11.0	0.7
Food, Beverage & Tobacco Manufacturing	7.7	0.3
Metal Manufacturing	9.7	0.7
Other Manufacturing	10.6	0.6
Electricity, Gas & Water	6.6	1.0
Wholesale/Retail Trade	8.1	1.0
Transport/Storage	9.9	0.8
Financial Services	9.4	0.7
Public Administration	8.7	0.3
Community Services	12.2	0.5
Recreational & Personal Services	14.0	0.5

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 March 2000.

Recent High Wage Outcomes in Agreements

An examination of March quarter agreements that have produced high average annual wage increases has revealed that performance-related initiatives dominate, while other agreements are a product of pattern bargaining arrangements. Although at risk, performance-linked wage increases provide employees with the prospect of further wage increases, having demonstrated improved performance or the achievement of certain targets. Table 1.2 outlines the main aspects of the high wage agreements and reaffirms the importance of looking beyond aggregate figures and assessing wage outcomes in the light of other changes occurring in each agreement.

Table 1.2: Key Features of Recent High Wage Increase Enterprise Agreements

Industry	Key Provisions
Air transport (AAWI 10.1%)	<ul style="list-style-type: none"> ● 5.5% guaranteed and paid in two instalments, 2.5% from the date of commencement and 3% 12 months from certification ● Additional wage increases ranging between 0% and 6.5% are paid each year and linked to individual performance ● Scale for performance-related pay increases: Outstanding: 6.5%, Excellent: 5%, Superior: 3.5%, Proficient: 2%, Marginal/Unsatisfactory: 0%
Maritime services (AAWI 6.6%)	<ul style="list-style-type: none"> ● 19.8% wage increase paid over three periods ● Wage increases incorporate payment for award increases for the last four years. Some allowances and wage increases are linked to compensation for the move to a "day rate" ● Employees now employed on a casual basis — a common trend amongst this occupational group ● This is one of several pattern agreements which exist within the same sector and provide the same terms and conditions
Financial services (AAWI 6.5%)	<ul style="list-style-type: none"> ● Due to a review of all wage rates and job classifications salary increases have been altered ● Managerial positions receive an initial 9% increase. This incorporates a salary increase and an adjustment in wage rates as compensation for changed job responsibilities and job enhancement. A further wage increase of 4% will be paid 12 months from certification ● Management positions may also cash out RDOs and receive an additional 4% increase ● Administration employees receive between 5% and 7% as an initial wage increase as a result of the introduction of a new classification structure linked to skills- and performance-based criteria. A further 4% increase will be paid 12 months from certification
Metal manufacturing (AAWI 6%)	<ul style="list-style-type: none"> ● 7% guaranteed and paid as two 3.5% instalments ● 5% linked to KPIs — 2% per year if KPIs are achieved and an additional 0.5% if performance is above the target required ● KPIs include safety, dip rate, turn-around time, and incidence of damaged/lost work
Agriculture (AAWI 5.5%)	<ul style="list-style-type: none"> ● Initial guaranteed 3.5% wage increase which was indirectly linked to a commitment to achieving the objectives of the agreement and 24-hour responsiveness to customers ● 2% provided if customer service improvement outcomes are achieved ● 3.5% guaranteed after 12 months ● 2% guaranteed after 19 months ● Yearly performance bonus ranging between 0% and 2.5% linked to achievement of KPIs ● This agreement is one of three similar agreements that cover different sites by the same employer

Industry	Key Provisions
Water transport (AAWI 5.5%)	<ul style="list-style-type: none"> ● 4% paid in lieu of previous productivity gains and gains achieved arising out of the earlier enterprise agreements ● 3.5% for a commitment by parties to the implementation of centralisation mechanisms at the work sites covered by this agreement ● 3.5% at risk payment linked to completion of the review of working hours (including RDOs, flexi procedures, rosters and OH&S)
Furniture manufacturing (AAWI 5.5%)	<ul style="list-style-type: none"> ● 15% payment paid over three years in six monthly instalments ● Also potential wage increase linked to GST-related CPI. If CPI moves to over 10% the difference between the CPI minus 10% will be paid as an additional salary increase ● One of three pattern agreements within the sector
Non-metal manufacturing (AAWI 5.2%)	<ul style="list-style-type: none"> ● Two 4% wage increases guaranteed ● Two 1% wage increases linked to achievement of KPIs ● First 1% linked to three workplace aspects including no at fault accidents, no lost time injuries and compliance with maintenance plan. Paid 12 months after commencement ● Second 1% linked to type costs and also paid 12 months after commencement

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

Note: High wage agreements are defined as those delivering an AAWI of 5% or above.

Developments in Federal AWAs

Over 2,000 workplaces have now implemented AWAs, covering over 100,000 employees (see Table 1.3 below). Table 1.3 outlines the total number of AWAs that have been approved since the introduction of AWAs in 1997 and the number of employers covered. It is important to note that these figures are cumulative and some of the earlier AWAs may have expired.

Table 1.3: Total Number of Federal AWAs Approved, by Quarter

As at the end of (Qtr):	Total No of AWAs Approved	No of Employers Covered by Approved AWAs
September 1997	1,281	79
December 1997	4,393	225
March 1998	10,790	425
June 1998	22,471	700
September 1998	34,426	899
December 1998	45,089	1,163
March 1999	52,961	1,200
June 1999	61,264	1,360
September 1999	73,042	1,567
December 1999	84,864	1,747
March 2000	98,708	1,961
April 2000	101,655	2,026

Source: Office of Employment Advocate, Monthly Releases (July 1997 - April 2000), cumulative figures.

Comparison of Wage Trends in AWAs and Certified Agreements

Of the 2,026 employers with AWAs, ACIRRT's ADAM Database currently holds information for 593 of these, representing almost one third of AWAs. An analysis of wage outcomes for the AWAs on the ADAM Database shows that collective union agreements generate higher average annual wage increases than either non-union agreements or AWAs. A relatively large number of AWAs do not provide for a wage increase during the life of the agreement.

Table 1.4: AAWI in Currently Operating Agreements, by Agreement Type and Union Involvement*

	AAWI (%)		
	Union Agreements (n=1332)	Non-union Agreements (n=354)	AWAs** (n=108)
All Agreements	3.9	3.0	2.9
Public Sector	3.4	2.8	3.3
Private Sector	4.0	3.0	2.7

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 March 2000.

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

Table 1.5 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 wage increase. The second group includes agreements that are not predetermined or quantified in the agreement. These dependent wage increases are expressed in different forms, including those indexed with inflation, wage increases in line with National Wage Case Decisions and wage increases linked to individual performance appraisals (this group also includes flat dollar increases that cannot be quantified). Trends from the ADAM Database show that when observing the proportion of agreements that provide for quantifiable (or guaranteed) increases, they are prevalent in only one quarter (27.6%) of AWAs (compared with 65.9% of collective non-union agreements and 81.3% of collective union agreements). However, when taking into consideration other less quantifiable types of wage increases, this figure jumps to 46.2% of AWAs (compared with 74.9% of collective non-union agreements and 86.6% of collective union agreements). These figures suggest that over half of AWAs do not provide for any type of wage increase throughout the life of the agreement. When they do, AWAs are much less likely to provide for a guaranteed wage increase and tend to grant increases that are "risk" based or contingent on other factors. Importantly, some of these factors are less under the control of an employee (such as NWCs and CPI) while others are more directly in their control (such as individual performance).

Table 1.5 also outlines the incidence of various forms of performance management initiatives in different agreement types. It shows that AWAs are far more likely to link wage increases to performance. Collective union agreements are, however, more likely to contain provisions relating to performance payments and key performance indicators (which are predominantly group based).

AWAs are almost twice as likely to use staff appraisals than collective agreements (union and non-union).

Table 1.5: Incidence of Performance Measurement Initiatives in Currently Operating Agreements, by Agreement Type*

Provision	% of Agreements		
	Union Agreements (n=1638)	Non-union Agreements (n=537)	AWAs** (n=392)
Only percentage wage increase specified	81.3	65.9	27.6
Any form of wage increase specified (ie as per CPI, NWCs, %, \$, linked to individual appraisals)	86.6	74.9	46.2
Performance-linked wage increases	16.7	8.8	24.7
Performance payments	26.7	19.9	12.8
Performance indicators	41.9	27.0	16.3
Staff/performance appraisals	15.0	12.1	25.0

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 March 2000.

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

The ADAM Database currently has information on 7,387 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.

INNOVATIVE CLAUSES

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

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Employee Participation

Enterprise agreements are often used to set the level and process of ongoing consultation between employer and employee. Industrial democracy provisions are becoming less common in certified agreements. The agreement from the Education industry emphasises where the parties have decided to be specific about consultation. The agreement explains the beliefs, structures and processes that underpin organisational decision making. In an agreement, which predominantly covers nurses in the public sector, the parties have agreed to a relatively detailed clause outlining the role of workplace representatives.

Decision making

EDUCATION INDUSTRY

"APPENDIX 2 — DECISION MAKING POLICY

Beliefs:

... we believe that our decision making process:

1. Should adhere to the principles of participatory democracy because:

- a) It encourages greater involvement/ownership/commitment
- b) It encourages unity of purpose
- c) It encourages respect, tolerance and open debate
- d) It encourages a more informed and conversant group
- e) It encourages positive communication
- f) It enables all involved to have input into the direction of the (Organisation) and policy development.

2. Should be supported by and binding to all group members until reviewed (according to need or annually).

3. Occurs best when the task is clearly defined, relevant, important and within the experience and knowledge of the group.

4. Is an ongoing process and involves a number of sequential stages.

5. Should take place in a supportive environment where all members are able to initiate discussion.

6. Enables all members to be able to express their opinion without fear of personal criticism.

7. Will facilitate change, growth and the development of the group.

Decision making process

1. Initiation
2. Information gathering/consultation
3. Negotiation/discussion
4. Decision made (voting/consensus)
5. Decision communicated
6. Implementation
7. Monitoring
8. Review

Decision making units

1. Individual
2. Small group
3. Site based
4. Whole (organisation)

Individual decision making:

This takes place when the only person affected is the person making the decision or the

decision falls within their specific parameter of responsibility.

Where others are affected eg: staff rosters, allocation of teaching duties, then individuals affected must be able to have input and consulted about how the decision will impact on them.

Unit of small group decision making:

In this situation the group affected jointly make the decision. It is clear that the decision is one the group will make and all members adhere to that decision.

The decision is one that only affects the group and their area of responsibility eg: accommodation staff, teaching staff, support staff.

Site based decision making:

This involves all staff at a given work site. These are decisions that impact on the operation or policy of the whole site. A site-based decision may be made by the officer in charge or it may be a decision reached by consensus or by voting of all staff.

Whole (Organisation)

Decisions that affect the whole (organisation) or have implications and ramifications across the (organisation) are in this category. Depending on the decisions this may be one made by the Principal, Senior Management or the whole staff.

These four units are not necessarily exclusive. The senior management team, may for example, after due consultation, make a decision affecting the whole (organisation). The important matter is to define who is responsible and defining who makes the decision.

Group decision making

Within the constraints imposed by time, urgency and magnitude of the decision to be made, each group will endeavour to make the decision by reaching consensus.

Where consensus cannot be reached within the allowed time, a decision by simple majority will be made.

All decisions whether by majority or consensus are binding on all members of the group and must ensure that all perspectives have had the opportunity to be presented.

The decision is binding on all group members until reviewed at a time agreed to by the group.

Major/Minor decisions:

Major/minor decisions are determined by:

How many people affected?

The impact on the (Organisation)

The impact on budget and personnel

The effect on general operation and ethos of the (Organisation)"

Workplace Representatives

PUBLIC SECTOR

"Clause 13 — WORKPLACE REPRESENTATION

Both parties agree that Workplace Representatives have a significant role, being a link between staff, the Union and Management.

It is the view of both parties that a maximum of up to 10 (unless agreed otherwise) Workplace Representative/s (and Deputy/ies to act in their absence or unavailability) should be elected by the workforce.

(The organisation) agrees that Workplace Representatives may have 2 hours per month for Workplace Representatives meetings.

It is recognised that Union representatives will be required to meet with the HR Adviser/ Management from time to time on a range of issues, and that appropriate time will be allowed for effective participation.

Reasonable paid time up to five hours in any one week is also authorised for Workplace Representatives to attend rehabilitation meetings and urgent/serious meetings as requested by employees. It is acknowledged that the five hour maximum per week is more the exception than the rule, and any requirement to exceed this must be authorised by management. In such situations, prior to leaving any work site to attend to union matters, the Workplace Representative/s must advise the appropriate Corporate Leader. Similarly, the appropriate Corporate Leader must be notified by the Workplace Representative on returning to the work site.

It is agreed that Workplace Representatives will be required to maintain accurate records as specified below of time spent on union matters:

- Full records for all rehabilitation matters
- Records detailing date, issue and duration of involvement
- A total of hours per month spent on union issues per Workplace Representative, and made available to management on request.

Where these hours are perceived to be excessive, management and the Union agree to meet to resolve the issue of effective time utilisation.

Legitimate time spent on worker/union matters will, in no way, disadvantage a Workplace Representative in their employment."

Family Friendly Provisions

Family friendly work arrangements are still relatively uncommon in agreements. However, where they do exist, the provisions clearly recognise the need to make workplaces more flexible for people with family responsibilities. A notable feature of family friendly provisions has been the recent recognition of the benefits of breastfeeding during child rearing. This has led to innovations in providing leave or accommodation to women at work to combine their work commitment with breastfeeding. There are two examples of public sector agreements with breastfeeding provisions. The first provides for flexibility of hours in general terms. The second agreement is more specific and provides for an hour of paid leave per day for the purpose of expressing milk or breastfeeding.

Making different forms of leave available for parents of young children is another feature of some family friendly agreement provisions. One public sector agreement provides ante-natal leave entitlements, while another has extended the unpaid leave available for child rearing by a further 12 months, which can also be taken at a later part of the infant's life. Another public sector agreement provides for an emergency care room and facilities at the workplace to enable carers to limit their absences from the workplace, despite urgent carer responsibilities.

Breastfeeding Facilities and Leave

PUBLIC SECTOR

"(The organisation) is committed to promoting a positive attitude to breastfeeding in the workplace and acknowledges that the workplace should be sufficiently flexible to permit working mothers to choose breastfeeding as a convenient option. Such flexibilities may include but not be limited to flexible working hours and flexibility of times

of usual breaks and/or lactation breaks as required for expressing or breastfeeding."

PUBLIC SECTOR

"(The organisation) recognises the beneficial effect of breastfeeding in the development of infants and supports the promotion of a positive attitude toward breastfeeding and the access to safe, clean, private and comfortable facilities for employees expressing milk or breastfeeding.

A full-time employee who is a nursing mother and has an infant in care within the boundaries of (a specified region) shall be granted flexible working hours and up to one hour's paid leave per day for the purpose of expressing or breastfeeding.

A full-time employee who is a nursing mother and has an infant in care outside the boundaries of (a specified region) shall be granted flexible working hours and up to one hour's paid leave per day for the purposes of attending (a specified venue) to express and store milk.

A part-time employee who is a nursing mother will be granted any alteration to working hours as can be accommodated within business needs to allow her to attend to breastfeeding requirements.

Employees who qualify for these arrangements are expected to plan expressing or breastfeeding to coincide with pre and post-working hours and lunch breaks to limit absence from the workplace. The required absences for the period of expressing or breastfeeding shall be discussed with the employee's supervisor in order that adequate relief arrangements can be put into place."

Child Rearing Leave

PUBLIC SECTOR

"(4) CHILD REARING LEAVE

(a) In addition to maternity leave, paternity leave and adoption leave, employees are entitled to child rearing leave for a maximum of 52 weeks.

(b) Child rearing leave is leave without pay and is available only for the care of pre-school age children.

(c) Employees must, not less than 10 weeks prior to the proposed start of child rearing leave, give the employer notice of the dates in which they propose to start and finish the period of leave. Employees are not in breach of this requirement if in compelling circumstances they are required to become the primary care giver of a child."

Ante-Natal Leave

PUBLIC SECTOR

"Pregnant employees will be entitled to access paid leave for the purposes of ordinary ante-natal medical checks, without loss of personal leave credits or flexitime. In approving leave managers are to be mindful of, and respect, the privacy considerations of the employee."

Care Rooms and Services

PUBLIC SECTOR

"The (organisation) is committed to supporting its employees in accessing child and dependant care services and the establishment and maintenance of emergency care rooms.

The care rooms will be established within 6 to 12 months of the commencement of this agreement.

The demands for particular services will change from time to time. To maximise the

benefits, the needs of employees will be periodically surveyed and reviewed. Focus groups and formal needs assessments might also identify changing needs.

In addition, the (organisation) will continue to provide employees with any information and guidelines about child and dependant care services, which may come to hand, including that which only has relevance to particular locality."

Skills Retention and Development

Organisations concerned about "brain drains" when experienced employees leave can address the issue by allowing for gradual retirement planning. It encourages potential retirees to reduce their hours rather than leaving, while passing on their knowledge via mentoring and coaching schemes. A benefit for the potential retirees is the option to ease out of the workforce at a slower pace.

The same public sector agreement has made scholarships available under certain circumstances. This represents advancement on the idea of reimbursement for external education.

Graduated Retirement Plans

PUBLIC SECTOR

"44.1 The employer recognises its aging workforce and the need to ensure on-going excellence in service through succession planning and Graduated Retirement Plans. Graduated retirement provides for the

development of a program of progressive knowledge transfer through mentoring and coaching of a successor and other relevant staff while recognising an employee's preference for reduced working hours.

44.2 An employee request for graduated retirement may be approved, provided—

- the arrangement suits customer service and work requirements, and
- the Parties agree on a written Graduated Retirement Plan.

44.3 The employer will develop 'Graduate Retirement Guidelines' to assist in the management of graduated retirement in consultation."

Scholarships

PUBLIC SECTOR

"21.1 The Chief Executive may grant Scholarships, through more flexible use of the training budget on the following basis,

- a) the beneficiary has contributed significantly to the outcomes of (the organisation); or
- b) the proposed course of study or study tour is relevant to the operations of (the organisation).

21.2 Applications for Scholarships will be called annually and final selection of beneficiaries will be made by the Chief Executive. Where travel is involved, approval will be in full accord with Government policy relating to intrastate, interstate and overseas travel arrangements."

Leave Arrangements

Leave arrangements are generally specified as set hourly entitlements. Below is an example of a certified agreement giving discretion to teams of employees, as opposed to management, to determine access to paid leave. A refining industry agreement deals with taking leave by using the concept of trade dollars (T\$). This allows employees to acquire payment for additional work by avoiding an income tax penalty.

Leave Approval Devolved to Teams

CEMENT MANUFACTURING

5.3 Sick Leave

An employee, other than a casual employee, shall be able to take sick leave from work without loss of pay in cases where there is genuine personal illness or injury, subject to the following:

- The employee will notify the team leader as soon as possible after the employee becomes aware that a non-attendance will occur and give some indication of the likely duration of the absence.
- Medical Certificates will not normally be required, however, the team leader of the employer may require an employee to verify that an absence is because of illness or injury.
- The team will have the right to review each individual case and if not satisfied of the genuineness of a claim for sick pay, may advise the employer to refuse to make payment for the absence, or recommend such other action as they believe appropriate.
- The case of an employee who has been absent for 3 months on sick leave will be reviewed by the team and management.
- Sick leave entitlements under the terms of this agreement will not be cumulative.

5.4 Bereavement Leave

An employee who suffers bereavement on the death of close relative or friend, may be allowed reasonable time off work without loss of income as determined by consultation with the work team.

The work team, at its discretion may require satisfactory proof of the death.

5.5 Family Leave

An employee, other than a casual employee, shall be entitled to Family leave in accordance with the Family Leave Award — State published in the Queensland Government Industrial Gazette of 18 January 1992.

5.6 Domestic Leave

Paid leave will be available to employees, other than a casual employee, where it is necessary for them to provide care and support to a member of the employee's immediate family or household. The amount of paid leave allowed will be determined by the work team and management who may require satisfactory evidence that the absence is necessary and required for the purpose for which it is taken."

Leave Accrual

REFINING INDUSTRY

"(b) an above award payment shall be made by way of Trade Dollars (T\$) commencing at the rate of T\$10.00 per week; and

- (i) trade dollars shall accrue free of Income Tax until spent similar to the accrual of leave pay where the employee is only taxed when the leave pay is actually paid to the employee; and
- (ii) permanent employees may, on approval of the employer, spend trade dollars to a value of 30% above their accrued T\$ balance value subject to the availability; and

(iii) to ensure availability of trade dollars notice of 30 days shall be required for amounts exceeding T\$200.00; and

(iv) it is hereby agreed that it shall be the obligation of the employer to pay all brokerage and commissions on trade dollars; and

(v) should an employee terminate their employment with the employer then an amount equal to 50% of their accrued trade dollars shall be paid to the employee in cash on termination, or

(vi) should an employee terminating their employment with the employer have an outstanding debit of trade dollars then an amount equal to the value of the trade dollars in debit shall be reimbursed by the employee or deducted from any pay due to the employee on termination."

Leave Entitlements for Casual Employees

A recreation services agreement allows casuals to be eligible for annual recreation leave accrual if they have 12 months continuous service of at least 10 hours a week — an entitlement traditionally provided only to permanent workers.

RECREATION SERVICE INDUSTRY

"5.1.9 Where a casual employee has worked continually for a period of 12 months and works an average minimum of 10 hours for each week of the 12 month period, the employee shall be entitled to pro rata annual leave and pro rata pay at the ordinary base rate of pay. Annual leave loading of 17.5% shall not apply. Untaken annual leave shall be paid out on termination less the annual leave loading."

Occupational Health and Safety

An agreement in the maritime industry outlines some of the potential strategies available to employees who commute after dark. An agreement in the public sector has taken a broad view of employer responsibility for employee wellbeing. In this agreement they have included a provision for the dissemination of information that may help facilitate employee wellbeing as well as managing activities that promote employee wellbeing.

Safe Arrival and Departure for Shift Workers

MARITIME SERVICES

"SAFETY

The company recognises the importance of employees being able to travel to and from work in safety and managers and employees will consider safety issues as part of the process of determining agreed patterns of hours.

In resolving any potential safety issues relating to travelling to or from work the manager and employee may consider any cost effective alternative arrangement which meets the requirements of the company and the needs of the employee.

Possible alternative arrangements might include:

Organisation of a car-pool;

Provision of safe parking for employees' vehicles;

Reimbursement of privately organised travel;

Taxis provided for all of part of the journey, shared where possible.

Such arrangements will be made for employees commencing work before 6:00 am and finishing work after 8:00 pm and will be made between individuals employees and their managers."

Employee Wellbeing

PUBLIC SECTOR

"37 PROVISION OF WELLNESS INFORMATION

The employee recognises that being informed is an important factor in individual and organisational wellness.

The employer will provide employees with a range of information through Human Resources Services, the Peak JCC, Divisional JCCs and (the organisation's) Bulletin. This information will include—

- Local child care facilities, family day care and vacation care;
- Elder and other dependent care initiatives;
- Physical wellness issues;
- Cultural activities; and
- Activities and/or issues in relation to locale of (the organisation's) offices.

38. PROMOTION OF WELLNESS ACTIVITIES

The employee recognises that being active is an important factor in individual and organisational wellness.

The employer will facilitate employees' participation in a range of activities to promote individual and organisational wellness—

- Wellness Surveys;
- Implementation of wellness strategies identified and agreed by the parties;

- Quit campaign;
- Employee Assistance Programme;
- (The organisation) Fun Run/Walk; and
- Approved charity drives and events."

Redundancy

The following agreements provide new ways of compensating employees for the loss of their jobs. Firstly, the building sector agreement has implemented two payment systems, one for voluntary redundancy and one for forced redundancies on top of long service leave, sick leave, annual leave and superannuation payments. The accounting service agreement, on the other hand, specifies that it does not provide for severance payments if alternative employment is found but not accepted without a reasonable excuse. A power industry agreement makes it possible for employees engaged for a specific task only to be entitled to severance payments after twelve months service.

BUILDING INDUSTRY

"16 REDUNDANCY

(a) There are two options for redundancy payments:

Either

(1) Where there is a closure of the business or the parties agree to use a voluntary-first based redundancy process the Redundancy Arrangement will be 2 weeks ordinary time rate of pay for each completed year of service with a maximum of 52 weeks for 26 years service and above.

OR

(2) Where redundancy is based on a skills based selection process, the Redundancy Arrangements will be 3 weeks ordinary time rate for each completed year of service up to a maximum of 52 weeks for 18 years service and above. A summary of the payments for (1) and (2) are shown in Appendix 1."

ACCOUNTING SERVICES

"33.6 ALTERNATIVE EMPLOYMENT

33.6.1 If we find for you and you accept alternative employment, we will not be obliged to pay severance pay

33.6.2 If you do not accept the alternative employment as prescribed in paragraph 33.6.1 for reasons considered unreasonable, we will not be obliged to pay severance pay. The discretion of such matters rests with the Company ..."

Severance Pay for Specific Task Employees

ENERGY INDUSTRY

"5.3 SPECIFIC TASK EMPLOYEES

A specific task employee may be employed at the discretion of the company for periods of up to 12 months. A specific task employee, who is to be employed for a period of between 1 and 3 years may only be employed after the company has notified the Unions. A specific task employee who is to be employed for more than 3 years may only be employed after the parties meet and discuss terms of employment. Specific task employees can be terminated at the discretion of the company according to the provisions of relevant legislation.

Upon termination, appropriate severance salary will be paid to employees with more than 12 months continuous service."

Disputes Resolution

The following two agreements provide the opportunity for employees to seek assistance and advice through independent bodies for the purpose of dispute resolution. In recognition of the fact that the union is not a party to the agreement, the mining industry agreement provides for payment of legal expenses for employees at the workplace who are not in the union. The manufacturing agreement places emphasis on using the Consultative Committee for resolving disputes.

MINING INDUSTRY

"10.2 LEGAL EXPENSES

The Company accepts that an employee covered by this [agreement] may become involved in legal proceedings arising out of their employment. To ensure that no employee is denied access to appropriate legal representation, the Company will directly provide that representation in circumstances where the employee is not a member of an organisation which ordinarily provides this service to members.

In this situation, the Company would appoint an agreed suitably qualified and experienced legal adviser to act on behalf of the employee. Reasonable costs for this service will be paid by the Company.

The legal representation covered by this clause shall not be available for proceedings against the Company or its representatives."

GST — Effects on Wages

Although not widespread, several agreements have sought the inclusion of GST clauses to offset the potential inflationary impact on wages. Most GST provisions protect employees from disadvantage by identifying strategies to adjust wages. Other provisions are typically statements of intent to monitor the effects of the GST and possibly renegotiate wage increases (if any) at a later date. The furniture manufacturing agreement below provides a specific formula designed to address the GST-inflation issue while the construction industry agreement makes provision for salaries to be increased if the tax offsets accompanying the GST are not adequate. A less direct approach is taken in the metal industry agreement, which directs the consultative committee to investigate possible solutions to adverse effects from the GST upon wages.

FURNITURE MANUFACTURING

"Compensation for GST

The agreement provides for additional increases in wages to be paid on 1st April 2002 if CPI between 01.07.2000 and 31.12.2001 exceeds 10% ($CPI - 10\% = \text{wage increase}$) to

compensate workers for the excessive effects of inflation caused by the introduction of GST."

CONSTRUCTION INDUSTRY

"32. GST INTACT — ABILITY TO VARY THE AGREEMENT

32.1 The wage increases provided for in this agreement may be increased as a result of an increase in the CPI not covered by the GST tax offset package.

32.2 Six months following the introduction of the GST and every subsequent six months, the parties will compare the rise in CPI with the tax offsets accompanying the introduction of the GST. If tax offsets are less than the CPI increase the parties will negotiate a wage increase to compensate the CPI Increase/tax offset deficit."

METAL INDUSTRY

"24.2. If a situation arises during the course of this agreement, such as a major variation in the CPI, due to the effects of a GST, or other external forces, the company will, through the Consultative Committee, seek to find a solution that does not disadvantage either the company or its employees."

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Report written by Betty Arsovska, Justine Evesson and Kate Leonard at ACIRRT. Coding and data entry by Robin Denver, Justine Evesson, Kate Leonard and Nicola Parsonage.

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