

Agreements Database And Monitor

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Executive

Part 1: Wages and Recent Innovative Clauses

Interesting developments are occurring in enterprise agreements across Australia. In particular, the number of agreements ratified between September 1995 and September 1996 has doubled in the Federal, Queensland and Western Australian jurisdictions. There are currently 3492 registered collective agreements on ADAM, spread across the major jurisdictions.

The average annual wage increase for enterprise agreements registered in the March quarter 1997 was 5.4%. This figure has remained unchanged from the December 1996 quarterly figure.

The average annual wage increase for all current agreements as at 31st March 1997 is 5.4% with mining and construction wage trends in enterprise bargaining lying well above the all industry average.

The report examines a number of interesting clauses that have appeared in recently registered agreements on issues such as provisions for reducing absenteeism, performance pay schemes, teamwork and work from home.

Part 2: What's Happening in Australian Workplace Agreements (AWAs)?

As at 5 June the Office of Employment Advocate received and was processing AWAs covering 1,168 employees from 62 different companies. In total 345 AWAs (ie covering 345 employees) had been approved. These covered employees from 11 companies.

The report examines a number of issues relating to filing procedures and the operation of the no disadvantage test.

ACIRRT has examined a number of AWAs and while we do not claim they are representative of the contents of all AWAs, a number of common threads are emerging:

- AWAs are largely concerned with increasing the flexibility of labour, in particular, through hours provisions and changing penalty provisions in awards allowing employees to work at anytime and on any day of the week
- The AWAs studied tended to cover workplaces with a high proportion of casual employees
- About half the AWAs analysed run for between 30 months and the full 3 year term allowable under the legislation. A further three have opted for relatively short 12 month agreements. The average for recent certified agreements on ADAM is 19 months
- A number of long running agreements do not provide for wage increases during the life of the agreement

It is crucial that if informed debate about AWAs is to proceed constructively the contents of AWAs are made public. This can be easily done without compromising the confidentiality aspects of the legislation.

Summary

Part 3: Hours and Flexible Working Time Provisions

Part 3 is based on an analysis of agreements registered in two time periods (1994/1995 and 1996/1997).

There have been considerable changes in both the type of employment relationship workers have been entering into and also in the nature of the hours which are worked. The growth of working arrangements such as self employment and atypical employment relationships such as working from home, part time work, casual work and work under fixed contracts has meant that agreements have increasingly been reflecting these changes.

The major findings are:

- Hours provisions are still high on the bargaining agenda and are more central than other productivity enhancing provisions such as consultation, teamwork, training, and job redesign
- In many instances, agreements have been extending the span of hours up to 12 hours or longer per day
- In the 1996/7 period, 11.1% of agreements provided for hours to be averaged over 4 weeks, while 5.1% provided for hours to be averaged over a year
- 32.1% of agreements registered in 1994/5 made some reference to overtime, compared with 40.9% in 1996/7
- The annualisation of salaries and the absorption of penalties, overtime and allowances have doubled since 1994/5, with 19.1% of recent agreements absorbing at least one or more penalties, allowances or overtime

Working time arrangements are being transformed in Australia. Fewer employees now work "standard" hours and the ordinary working week for many workers no longer reflects the traditional model. Although these changes may prove to be progressive and productive for employees and employers alike, they have implications on the workforce. It may result in "open-ended" working time agreements where hours of work may be more difficult for employees to control or influence, thereby making the personal and leisure lives of employees more difficult to plan and their family responsibilities more difficult to meet.

Part 1 - Wages and Developments in Registered Agreements

The ADAM Database currently covers a total of 3492 agreements from Federal, NSW, Queensland, South Australia, and Western Australian jurisdictions.

Spread and Duration of Enterprise Agreements Across Australia

Table 1.1 highlights the developments in the number of registered collective agreements as at September 1995 and September 1996. It shows that the Federal, Queensland and Western Australian jurisdictions have doubled the number of agreements registered over the year. The percentage of award employees now covered by agreements has also increased, although at not nearly the same rate. This could be because many of these new agreements are with smaller employers. Western Australia, on the other hand, has almost doubled the number of employees covered by formalised collective agreements increasing from 15% of employees covered by collective agreements in September 1995 to 29% in September 1996.

Table 1.1: Number of Registered Agreements and Employees Covered, by Jurisdiction

Jurisdiction	Number of Formalised Agreements*		% of Employees in Jurisdiction Covered by Agreements**	
	Sept 95	Sept 96	Sept 95	Sept 96
Federal	5,130	10,100	58%	64%
NSW	1,570	1,776	29%	31%
Victoria	457	580	n/a	n/a
QLD	667	1,438	30%	39%
SA	255	461	22%	33%
WA	583	1,130***	15%	29%
Tasmania	705	894	5%	6%

Source: Relevant State Department or Agency

* These are collective union and non-union agreements only which incorporate expired and currently registered enterprise agreements

** This figure represents the proportion of employees covered by agreements who are eligible to be covered by awards in each jurisdiction (estimates only)

*** This figure excludes individual agreements available under the *Workplace Agreements Act 1993* (WA)

Duration of Agreements

The *average* duration of all agreements is now 22.5 months, though the average duration of agreements registered in the March Quarter 1997 is 19 months.

Legislative requirements on the maximum term of an agreement varies between jurisdictions. These range from 2 years in South Australia to 5 years in Western Australia. Unlike many other jurisdictions, the *Industrial Relations Act 1996* (NSW) places a minimum term of 12 months on all registered agreements. Table 1.2 below outlines the arrangements under each jurisdiction.

Innovative Clauses

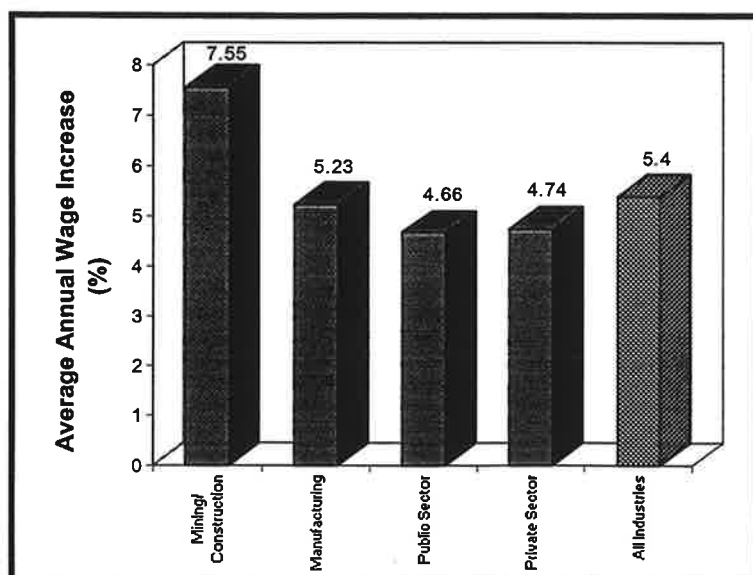
Table 1.2: Legislative requirements for duration of collective agreements

Jurisdiction	Max no of months duration	Legislation
Federal	36	<i>Workplace Relations Act 1996</i>
NSW	36 (min 12)	<i>NSW Industrial Relations Act 1996</i>
Queensland	36	<i>Industrial Relations Reform Act 1993 (to be replaced by the Workplace Relations Act 1997)</i>
Western Australia	60	<i>Workplace Agreements Act 1993</i>
South Australia	24	<i>Industrial and Employee Relations Act 1994</i>
Tasmania	60	<i>Industrial Relations Act 1984 (as amended)</i>

Wage Increases in the March 1997 Quarter

The average annual wage increase for enterprise agreements registered in the March 1997 quarter was 5.4% per agreement. The trend has remained unchanged from the December quarter (5.4%) and compares to the January 1996 quarterly figure of 5.2%. Figure 1.1 below outlines the developments in wages using a public/private sector split. Similar trends are evident in the private and public sectors, whilst the Mining/Construction industry average is influencing the average annual wage increase for 'all industries' in the quarter.

Figure 1.1: March 1997 Quarter Wage Increases, by Sector



Source: ADAM Database (1997)

Wage Increases in Current Agreements

The average annual wage increase for *all* current agreements as at 31st March, was 5.4% down from 6% at 31st December 1996. This indicates a wages slow down. Table 1.3 below provides an industry breakdown of the average annual wage increases in all current agreements.

Table 1.3: Average Annual Wage Increases in Current Operative Agreements

Industry	Average Annual Wage Increase (%)	Highest Annual Wage Increase (%)	Lowest Annual Wage Increase (%)
Mining/Construction	6.3	15.0	1.0
Food, Beverage & Tobacco Manufacturing	5.2	10.0	1.2
Metal Manufacturing	5.5	12.5	1.38
Other Manufacturing	5.3	13.5	0.67
Public Utilities	4.5	9.69	1.0
Wholesale/Retail Trade	5.3	14.7	0.49
Transport/Storage	5.3	15.0	0.5
Financial Services	5.0	15.0	0.75
Public Administration	5.5	15.0	0.67
Community Services	5.4	12.0	0.33
Recreational & Personal Services	3.4	10.0	0.33
All Industries	5.4	15.0	0.33

Source: ADAM Database

Note: Current agreements include all agreements which have not reached their stated nominal expiry date as at 31st March, 1997

Table 1.3 demonstrates that the highest average annual wage increases (6.3%) continue to be found in agreements from the Mining/Construction industry. The Recreational and Personal Services industry, on the other hand, provides the lowest average annual wage increase of 3.4%.

Industries which have agreements with relatively high *annual* wage increases include Mining/Construction, Transport/Storage, Financial Services, and Public Administration, all providing annual increases of up to 15%. Typically, these high wage increase agreements are offset by unusually low annual wage increases, some falling below 1%. This demonstrates that there is a diversity in wage increases negotiated within industries as well as across industries.

The Content of Recent High Wage Increase Agreements

Examining the content of agreements is useful when trying to explain wages outcomes in enterprise agreements. Table 1.4 outline recently registered agreements with 'high' annual wage increases. The analysis demonstrates that interesting changes are occurring in these agreements in return for wage increases. Changes to working time arrangements such as increasing the span

of hours, flexibility issues, and additional increases based on productivity outcomes appear to be the common areas which have been addressed in granting higher wage outcomes in these agreements. Rarely are high wage increases found in agreements without significant productivity enhancement clauses.

Table 1.4: Key Features of Recent High Wage Increase Enterprise Agreements

Industry	Total Wage Increase Over Life of Agreement (%)	Average Annual Wage Increase (%)	Number of Pay periods	Duration of Agreement (months)	Key Provisions
Petrol Refining	8	4	2	24	<ul style="list-style-type: none"> A further 32% total wage increase (maximum of 4% per quarter) based on improvements in performance. Targets are set by the Single Bargaining Unit each quarter Rescheduling of working hours through staggering rest periods and meal intervals (as agreed between employer and employees) Rescheduling of RDOs if required
Transport	15	7.5	2	24	<ul style="list-style-type: none"> Employer may vary starting time by 1 hour on either side with 12 hours notice Span of hours are 5am - 9pm (Mon to Sat) Accrued RDOs may be cashed in 'Multi-site' employees employed to undertake work on many sites when required, but given 12 hours notice Alternative payment calculations may be provided in the form of job rates or piece rates (so long as not less than the Award entitlements) Employees to be multiskilled Continuous improvement team developed
Food Manufacturing	15	10	5	18	<ul style="list-style-type: none"> Workplace flexibility through training & skills formation (skills matrix outlined) New rostering arrangements for shift workers - 19 rostered ordinary hour shifts totalling 152 hours + 2 rostered overtime shifts totalling 16 hours (paid at appropriate penalty rates)
Public Administration	10	10	1	12	<ul style="list-style-type: none"> Increased ordinary hours of work per week from 38 to 40 (RDOs cancelled) Span of hours - 6am to 6.30pm (to be used in a flexible manner)
Cleaning Services	12.5	10	5	15	<ul style="list-style-type: none"> Transfer of all employees to a skills based classification structure Employment is weekly ⇒ 1 week's notice for termination ⇒ removal of ceiling on paid hours for inclement weather Increased span of hours of 6am - 6pm Use of contractors if necessary More flexible use of RDOs Discussion on the use of 'work based child care' during the life of agreement

Source: ADAM Database, June 1997

Caution on Wage Figures

There continues to be concern and speculation on the economic impact of the average wage increase figures reported by ACIRRT and the Department of Industrial Relations. These figures need to be treated with caution because as we have pointed out in earlier ADAM Reports, agreements that have above average wage increases almost always also provide for changes in hours or practices that will have significant productivity benefits. The cost of the wage rise is thereby largely offset.

In addition, the annual average wage increase figures are based on the length of the agreement that can be calculated from the commencement and expiry date that appears in the agreement. In reality, a large proportion of agreements continue well beyond the formal expiry date. This of course leads to a lower *real* average annual wage increase than appears in public estimates.

Recent Innovative Clauses

Home-Based Work

Home-based work provisions in enterprise agreements are becoming more popular as a means of permitting employees greater flexibility in balancing family and personal commitments with work. Schemes range from those permitting home-based work as an alternative to maternity leave, to provisions for permanent home-based work. Typically, clauses are limited to acknowledging the availability of home-based work for certain job descriptions, and leave the practical aspects (provision of facilities, management access, supervision) at management discretion. They therefore provide little information as to the character of home-based work schemes. In contrast, the following agreement in the insurance industry specifies the initiation and approval procedures for home-based work, the job characteristics considered appropriate, the approach to set-up costs and management and union access. The terms of individual-home-work schemes negotiated under the terms of this agreement (including assets provided, hours of work, performance assessment methods and entry provisions) are recorded in separate 'agreements'.

"Initiation of and Approval for Home-Based Work

- 5.1 Home-based work is not an entitlement or a right, nor an obligation and may only be entered into by an agreement between the Chairman/Managing Director and an employee.
8. Terms and conditions
 - i) The employee's office-based site will be deemed to be his/her base:
 - a) for the purposes of Excess Travelling Time, as in the Award and Agreement.
 - b) unless otherwise agreed, home based work will be on the basis that the employee spends at least two fifths of his/her usual weekly hours of duty in the office-based site. If an alternative arrangement is proposed, the Chairman will negotiate with the Union.
 - iii) The company will be responsible for the provision and maintenance of equipment and the provision of supplies.
 - v) An employee is prohibited from contracting out his/her work.
 - iv) The Chairman/Managing Director shall ensure home-based employees have the same opportunities for career development and training as office-based employees.
 - b) an employee working at the home-based site will be expected to undertake appropriate work related training, occupational health and safety training and staff development.

Schedule 2: Access arrangements

1. the parties acknowledge that management will from time to time need to obtain access to a home-based work site and that the union may also wish to visit a member while he/she is working from a home-based site.
2. ...the consent of a home based employee is required before access can be obtained."

OHS

Many agreements discuss OHS at a workplace level, dealing with the duties of employers/employees, and providing a means of resolving 'collective' OHS issues. This transport industry agreement deals with OHS on an individual level, providing a means of monitoring and recording work practice breaches by individual employees, and counselling the employees concerned.

"Main Features of Code of Monitoring Work Practices

- (a) Maximum of 11 demerit points over a 12 month period, commencing from date of first infringement. At completion of 12 months, demerit points to be reduced to zero.
- (b) Penalties as follows:
 - (i) Breach of Code of Safe Working Practice/Quality Procedure
2 points (to be controlled by the immediate Supervisor until reach 5+ points). Any disputed matters to be reported to the Safety Breaches or Quality Procedure Committee as appropriate.

Breach of Danger and Warning Tag Regulations, ie. Personal Danger Tag: 5 points + Final Warning
Warning Tag. 2 points
- (c) At any time, or after 5+ demerit points have been accumulated, at the request of Senior Management or Safety Representative, a Committee Meeting may be called to discuss what action, if any, is required regarding an offending employee. For example circumstances and seriousness of breach to determine what re-training is required, if re-location of employment status is required, etc. The Committee(s) shall meet at least quarterly to review the implementation of this arrangement.
- (d) All demerit points, plus explanation, to be entered onto employee's Employment Record, in presence of employee and appropriate Safety/ Union Representative(s).
- (e) After accumulation of 11 points, Branch Manager to review case in consultation with appropriate Staff, Union Representative and/or Safety Representative(s) to decide upon suitable disciplinary action."

Some home-based-work schemes contain separate provisions for occupational health and safety in home-based work. The following provisions appeared in the insurance industry agreement discussed earlier.

"Occupational Health and Safety

- 1a) Management and unions agree that in the implementation of home-based work the following procedures should be followed:
- b) It is acknowledged that employers and employees have duties under the Occupational Health and Safety (commonwealth Employment) Act that are not over-ridden or in any way limited by the provisions of the agreement or this guideline.
- 2a) Employers are required to have regard for the health and safety of employees, contractors and the general public.
- i) To satisfy their duties under the Act, employers must ensure that home-

Wages and

based work sites conform to minimum health and safety standards applicable to the type of work being performed by the employee in the work site. For clerical type duties this will include the equipment in use, the work environment (eg lighting, air quality, ergonomic issues etc), safe access, appropriate training and ongoing monitoring of the work site.

- ii) It is a matter for the employer to determine the minimum standards applicable in ensuring that their duties to their employees are met. To do this the employer should look to any regulations of codes of practice approved under the Act."

Remuneration

Income Protection

Remuneration packages may include employer contributions to insurance packages (in addition to compulsory REST and Worker's Compensation insurance) as a form of 'fringe benefit'. This agreement in the metal trades industry is one of several to include employer contributions to 'income protection' insurance as an employee benefit.

Income Protection Insurance

"[The Company] agrees to pay on behalf of employees the premium on an insurance policy that protects their wages in the event of an accident or illness not covered by statutory insurance. The premium payment shall be restricted to 1% of the employee's wages. Should [insurer] increase the premium beyond 1% of an employee's wages [the Company] shall seek urgent discussions with the Consultative Committee to review this provision in the Agreement. The insurance policy is between [insurance company] and each employee.

The Consultative Committee shall monitor the performance of [the insurer] and reserve the right to change insurer's following consultation."

Incentive Schemes

Some agreements continue to contain 'productivity incentive' schemes as a means of linking wage rises to real productivity increases, or to other organisational changes. These productivity schemes are increasingly being extended to part-time and casual employees on a pro-rata basis. However, agreements tend only to state an intention to implement a productivity-based means of providing pay increases, or where the general focus of 'performance indicators' is to be determined. Those agreements which do quantify 'performance targets' and associated wage rises tend to be limited to linking wages to single variables (for example, an increase in product volume). The following agreement in the printing industry takes a more integrated approach, providing a means of sharing productivity returns (reflected in net profit) according to an 'employee entitlement factor'. It also takes into account employees' wages, overtime, absences, customer service and years of service. The agreement provides a similar means of distributing performance gains to management.

"A. Performance Rewards

The incentive system recognises the positive contribution that a motivated work team can make towards the profitability, competitiveness, job security and safety of the company.

Innovative Clauses

Part 1

(a) Overview

The incentive scheme will be based on the company's profitability, the employee's basic salary including shift allowance, years of service, overtime worked and each individual employee's performance as measured by the level of customer(s) complaint(s).

(c) Payments

Payments to employees under this clause will be made at the end of the month following the month being subject to the calculation.

(d) Incentive Pool

An amount calculated in accordance with subclause 17(d) (1) will be added to the incentive pool.

(1) The amount added to the incentive pool each month will be the Net Profit of the company

(e) Distribution of the Incentive Pool

(1) The incentive pool will be distributed to each employee, excluding the company's management team (directors and production, administration, sales and technical managers), according to the following calculation:

$$\frac{\text{The Incentive Pool} \times \text{Employee Entitlement factor (EEF)}}{\text{Total of All Employee Entitlement Factors (TEEF)}}$$

(2) An employee's entitlement factor is derived from the following formula:

$$\{2a \times 2c\} \times \{2b + 2d + 2e\}$$

(a) The employee's base salary divided by twelve at the beginning of the month; and

(b) Loyalty bonus is based on number of years service from the date of the original Enterprise Flexibility Agreement. In the first year the factor applied to the incentive pool is one (1). Each year following adds a further point one (0.1) to this factor.

(c) The value of all overtime factor during the month is:

$$\frac{\text{number of O/T hours worked/employee} + 1}{\text{Total No of O/T Hours worked}}$$

(d) A sick days off factor which is determined by:

$$\frac{\text{number of weekdays worked}}{\text{maximum possible number of working weekdays}}$$

(e) A complaint's factor: An official (written) complaint will reduce this factor by .25 in any one month.

(f) The company's management team will be paid an incentive payment once a year at the end of the financial year. The amount is based upon the profitability of the company after all expenses are taken into account (this includes the employees' incentive pool). This pool is to be divided amongst the management team."

Absenteeism

Agreements reflect two approaches to absenteeism. One approach is the use of an absenteeism procedure where the agreement contains a detailed provision for monitoring absenteeism, and counselling procedures for dealing with employees who accumulate a certain number of unexplained absences. The alternate approach is to reward reductions in absences, either individually or across the workplace. This may be done through designating absences (or reductions in absences) as a performance indicator, or by factoring individual employee absences into their entitlement to productivity schemes. Individual employees may also receive a proportion of their sick leave entitlement as an addition to annual leave, or receive an incentive payment determined by the number of absences per month. The following agreement in the transport industry contains a separate absenteeism incentive scheme.

- “1. A base amount of \$9396 per annum will be payable monthly to tug crews to move vessels at the time and to the place required. This amount will be discounted by a factor of 0.5434% for each day where tug crews do not move vessels at the time and to the place required.
2. Further monthly payments in addition to the base payment will be made if designated attendance targets are achieved. These payments and the associated targets are set out below:

<i>Attendance Rate</i>	<i>Monthly Payment</i>
100%	\$112
99-100%	\$91
98.5-99%	\$77
98-98.5%	\$64
97.5-98%	\$35

- 2.1 Re attendance: targets apply to all employees and are calculated on attendance levels for all employees on a monthly basis.
- 2.2 Attendance rates are to be calculated as follows:

Attendance Rate =

Work Days Per Month (all employees) - Days Absent (all employees)

Work Days Per Month

Work Days Per Month =

Total number of days in the calendar month where either towage or maintenance were performed (this includes weekends and public holidays where employees are required to call in for orders).

Days Absent =

Total number of days absent for all employees in one calendar month attributable to sick days, compensation and failure to report, taking into account the following limitations:

Compensation -

For all employees up to two (2) compensation days per month will be counted for the purposes of calculating, this allowance. Compensation days exceeding two (2) will not be counted for the purposes of calculating this allowance.

Sick Days -

All sick days taken by employees that are not accompanied by a valid medical certificate will be counted for the purposes of calculating this allowance. Where employees do provide a valid medical certificate sick days relating to that certificate will not be counted for the purposes of calculating this allowance."

Hours

While most flexibility in hours provisions give employers greater flexibility, some agreements provide a greater level of employee flexibility in that they permit the employees discretion to choose the most appropriate rostering scheme, others only permitting flexibility within a system. The following agreement in the hospitality industry allows employees to elect a system of hours as specified or an approved alternative.

"Hours of Work

The hours of all permanent full-time employees shall be an average of 38 hours per week to be worked in one of the following two ways:

First, a combination of the following methods may be worked:

- (a) nineteen day month, of eight hours each day;
- (b) the banking of a day each month, up to a maximum of five days to be taken at a time mutually acceptable to the employer and the employee;
- (c) four days at eight hours and one of six hours;
- (d) four days at nine and a half hours per day,
- (e) five days, to be worked at a total of seven hours and 36 minutes per day
- (f) a combination of subparagraphs (a), (b) and (c) hereof under which employees may be worked, under subparagraph (c) hereof for up to six months in any year with the balance of the period worked under subparagraphs (a) and or (b) hereof,
- (g) such method of working prescribed hours shall be determined by agreement between employer and employee. If no agreement can be reached the matter may be referred to the Dispute Settlement Procedure.
- (h) arrangements for hours of work applying to employees engaged prior to 1 April 1988 shall not be changed without the agreement of the employee(s) in question.

Second, by agreement between the employer and the employee and/or the union, the arrangement of hours of work can be implemented within any one combination of the following:

Wages and

- (a) 152 hours per each four week period: or
- (b) 160 hours per each four week period, with a day banked per period up to a maximum of five."

Leave

Increasing paid leave may be used as a means of encouraging employees to forgo sick leave (in lieu of 'scheduled' paid leave), or providing a means for employees to access external training. This local government agreement provides for paid training leave for employees as an alternative to productivity benefits.

"Career Related Training Leave

- 18. 1 Employees shall, in each year of employment, be entitled to four (4) days career related training leave. Such leave is not normally cumulative from year to year except as provided in subclause 18.5.
- 18.2 Employees employed by [the Company] prior to 15 February 1993 shall, as an option to Career Related Training Leave, be entitled to the Productivity Benefit as detailed in clause 19 of this Agreement.
- 18.3 Career Related Training Leave shall be in addition to training which is required of the position by Council.
- 18.4 An employee may accrue up to a maximum of five (5) rostered days off (RDO's), in any year, to be taken as career related training leave.
- 18.5 Career related training leave may be accumulated for two (2) years in cases where a specific course of study has been identified and agreement is reached between the employee and the supervisor/manager in respect of attendance at that course."

48/52

48/52 schemes, while not frequently used in agreements, are becoming more common. They allow employees to work a forty eight week year, and receive the standard four weeks annual leave. This tertiary academic agreement illustrates the form of 48/52 provisions provided in agreements.

"48/ 52 Week Year Scheme (44 working week year)

Overview

- 1. The 48 week year is a scheme whereby a full-time member of the general staff may work 44 weeks of a negotiated twelve month period. Approval of participation in the Scheme by any staff member is at the sole discretion of the University.
- 2. Policy

All full-time general staff members are eligible to apply to their Head of Department or Director for approval to work a 48 week year.

Approval of participation in the 48 week year scheme may be granted for only a single period of 12 months in respect of each application.

When an employee is granted a 48 week year their salary will be paid at the rate of 48/52 of their full-time salary during the negotiated twelve month period.

All periods of paid annual, sick, or maternity/paternity/adoption leave taken during the period of a 48 week year will be paid at the rate of 48/52 of the full-time salary. Periods of long service leave taken during the period of a 48 week year will be paid at the 48/52 rate or at a lesser, appropriate rate in the case of long service leave on half pay or where an employees' average employment fraction does not entitle them to be paid at the higher rate.

During the period of a 48 week year annual, sick and long service leave will continue to accrue at the normal rate.

All eight weeks leave must be taken during the period for which approval to participate in the scheme has been given.

During a 48 week scheme a participating employee may reduce superannuation contributions to a level based upon the actual salary paid to them for that year. If an employee wishes to maintain superannuation contributions at a notional full-time rate, they must obtain the approval of their Head of Department or Director.

3. Procedures

Applications for the 48 week year scheme must be made in writing to the Head of Department or Director."

Extra-vocational Programs

While some 'performance reward' schemes indirectly reward employee contributions to continuous improvement or research and development, the rewards associated tend to be based upon productivity increases arising out of employee contributions, and therefore do not directly reward employee contributions. While some agreements establish budgets for 'extra-vocational' tasks carried out during work time, few agreements provide for employees to be paid for carrying out autonomous work outside work time. This local government agreement provides for employees to nominate and be paid for 'special projects' outside work time.

"Special Projects

Special projects will be identified and may be performed on weekend days by mutual agreement between the employer and employee subject to:

- i) a minimum period of seven days notice being given to the employee before commencement of a special project;
- ii) any employee cannot work:
more than ten hours on any weekend day; more than 100 hours in any one fortnight; or more than ten weekend days per calendar year; and
- iii) payment for working weekend days will be:
 - a) the employee's normal hourly rate plus a loading of 20% for Saturdays; and
 - b) the employee's normal hourly rate plus a loading of 30% for Sundays."

Wages and Innovative Clauses

Teamwork

Team provisions in agreements vary widely in terms of the degree of autonomy they allow. Teams may be given separate budgets, or authority to organise tasks, but teamwork rarely involves both. One of the problems in giving teams control over both budget allocation and work organisation is the difficulty in assessing unit productivity. This local government agreement provides for work-teams to tender for work which is to be contracted out. The competitive tendering process provides a suitable method of assessing the team's budget and organisational proposals in comparison to external teams. The agreement provides for work groups to vary the terms of the enterprise agreement in order to make the work groups tender more competitive.

"Competitive Tendering

The requirements of the Competitive Tendering Process contained in this Agreement relate only to tenders which involve in-house bids by Council staff.

Process for Setting Specifications

The draft specification will initially be prepared by the designated person. This will include defining the scope of the service to be performed and recommending levels of quality that should be achieved in the operation of the service. The relevant business unit will during this process contribute to and review the specifications.

Process for Formulating In-house Bids

- a) Immediately following the determination of the draft specification of the selected service the business unit affected may prepare a trial bid designed to meet the draft specifications.
- b) Where the parties identify and implement agreed specific measures aimed at improving the competitiveness of the Business Unit such changes will be progressed through the Local Area ,Work agreement Clause of the Agreement.
- c) The Business Unit or Work Group will be invited to tender by the public process of advertising. The Council shall actively encourage and support the Business Unit in submitting a competitive bid.

Resources Provided to In-house Bids

- a) The Council will provide adequate resources to enable the Business Unit to contribute to the writing of specifications and prepare a bid for the adopted specifications.
- c) Each Business Unit or Work Group will have access to employees of Council who possess skills in estimation, unit costing, writing and preparation tenders and organisational supervisory and technical ability.
- c) Each Business Unit shall have access to all necessary financial, computing and administrative resources to enable it to participate in the competitive process."

What's Happening with AWAs?

Part 2

Part 2 - What's Happening with Australian Workplace Agreements (AWAs)?

Information on AWAs is difficult to obtain. This section of the ADAM Report provides the most up to date analysis of these agreements. It is based on the following sources of information:

- material provided by the Employee Advocate, Mr Allan Rowe, to the Senate Estimates Committee on 5 June 1997
- additional information obtained from his office,
- information from our network of industrial relations practitioners and
- our analysis of a number of AWAs that ACIRRT has managed to obtain. These agreements are not available through the Office of the Employment Advocate (OEA). There are, however, no restrictions on the parties to an AWA disclosing them to a third party.

In analysing AWAs we have honoured the legislative requirement of maintaining confidentiality of the parties. To ensure that future reporting of AWAs is representative and authoritative we would urge the Employment Advocate to make these publicly available with all references to the organisations and individuals deleted, thereby ensuring their confidentiality is maintained.

Filed and Approved AWAs

As at June 5 the (OEA) had received and was processing AWAs covering 1,168 employees from 62 different companies. In total 345 AWAs (ie covering 345 employees) had been approved. These covered employees from 11 companies.

The Employment Advocate has indicated that some employers have lodged only one AWA covering the entire workforce, while others have lodged a number of different AWAs covering specific categories of employees. Among the eleven companies which have had AWAs approved to date, only one used a bargaining agent.

Filing and Approval of AWAs

It is too early to speculate which organisations are likely to adopt AWAs. The spread and use will, in part, depend on employer's perceptions of the difficulty and time it takes to move new or current employees from an award or registered agreement to an AWA. The Employment Advocate has indicated that his office is aiming to achieve a turn around time of 20 working days from filing to approval. During that time the OEA writes to each employee who has signed an AWA inviting the employee to contact the OEA if they have any questions or concerns about the AWA. If there is no response from the employee it is assumed that they have no problems or questions.

To date, it seems that the most significant bureaucratic hurdle facing employers is meeting the requirements in the initial filing of an AWA. The filing requirements are:

- that the AWA has to be signed, dated and witnessed by both parties
- it has to be lodged within 14 days of signing

What's Happening

- it must contain an employer declaration that the AWA has been offered to all comparable employees, or if not, why.
- a statement on whether the employee is a new employee
- that there has been an appropriate consultation period.

A large proportion (about 50%) of AWAs have not met some or all of the filing requirements outlined above and are returned for resubmission in line with the requirements. A small proportion of employers, it seems, do not take the matter any further.

There appears to be a grey area between the time of filing and final approval of an AWA. The OEA 'advises' employers not to operate under the conditions of an AWA until it is approved. However, there is evidence that some employers are taking the date of filing as the date of commencement of an AWA. There is a danger that employers who introduce an AWA before the formal approval process is complete could be in breach of the relevant award or agreement for the period between filing and approval (or otherwise). The worst case scenario would be if the AWA was not approved but employees were working under the provisions of an AWA since it was filed. These employees could then have their conditions changed to meet the provisions of the existing award or agreement. They would also be entitled to monies owing under the award or agreement for overtime or penalties that may have been removed under the intended AWA. If an employee or a union complains to the OEA that an AWA has begun prematurely, employees have legal recourse for breach of the award. In practice, an unapproved AWA could operate providing the parties do not complain either to the AIRC or the OEA.

AWAs can be refused by the Employment Advocate if they do not meet the additional approval requirements set by the OEA. These are: (1) that the AWA includes clauses on non-discrimination and disputes resolution (2) that the employee had received a copy before signing, (3) that the employers had explained the AWA before employees are asked to sign, (4) that consent is genuine and (5) if the AWA was not offered to all employees, it was fair not to do so (s170VPA).

The No Disadvantage Test

The process of agreement making for AWAs also requires the Employment Advocate to ensure that the AWA meets the no disadvantage test¹. If the Advocate has concerns that the AWA fails the test then he seeks to resolve these with the employer. Interestingly, if it cannot be resolved the Employment Advocate does not have the power to refuse an AWA that fails to meet the no disadvantage test. In such cases the Employment Advocate can only refer the AWA to the Australian Industrial Relations Commission (AIRC). To date, no AWAs have been referred to the AIRC.

The no disadvantage test is based on a comparison between the provisions of the AWA and the relevant award. An agreement disadvantages employees in relation to their terms and conditions of employment only if its approval or certification would result, on balance, in a reduction in the overall terms and conditions of employment of those employees under the relevant awards or designated awards. The test does not involve taking into account any overaward pay or conditions which workers may be receiving at the time an AWA is negotiated. This raises interesting issues with respect to agreements. As there

are currently about 60% of employees under the federal jurisdiction covered by collective enterprise agreements, AWAs offered to any of these employees would be compared to an award, parts of which may have been significantly altered or added to through an agreement. In effect, this means that agreement provisions are irrelevant in determining employees' rights under an AWA.

Australian Workplace Agreements Uncovered

ACIRRT has obtained a number of AWAs, at least five of these, we believe have been approved by the EA². These five are from different organisations, representing nearly half of all organisations which have registered AWAs. The operating status of the remaining AWAs is unclear.

However, the content of those agreements approved and those of which the status is unclear are fairly similar. For illustrative purposes, these agreements will be treated as the same.

A summary of the provisions in AWAs we have obtained appears in Table 2.1. The table shows there is little evidence of AWAs adopting a productivity enhancement strategy typically found in many of the earlier generation collective agreements. The majority of AWAs are also silent on issues such as training provisions, performance indicators and measures, OHS, work organisation or job redesign.

In the case of discrimination and dispute settlement clauses, most do not deviate from the guidelines specified in the legislation. Few employers have crafted firm specific dispute settlement clauses, opting instead for a generic clause.

While the contents of AWAs analysed do vary, a number of common threads are emerging:

- AWAs are largely concerned with increasing the flexibility of labour, in particular, through hours provisions and changing penalty provisions in awards allowing employees to work at anytime and any day of the week
- The AWAs studied tended to cover workplaces with a high proportion of casual employees
- About half the AWAs analysed run for between 30 months and the full 3 year term allowable under the legislation³. A further three have opted for relatively short 12 months agreements. The average for certified agreements on ADAM is 19 months
- A number of long duration agreements do not provide for wage increases during the life of the agreement.

What's Happening

Table 2.1: Summary of Provisions in AWAs

AWA	Wages	Duration (months)	Number of Pages in AWA	Hours	Overtime	Annual Leave	Consultation	Productivity & Performance	Termination & Redundancy	Training	Other
1	6% granted per annum	18	16	Detailed in 'other' document not attached to AWA	Detailed provisions	Statutory		No detail but KPIs mentioned		Mentioned but no detail	Team based Rostering. Call Recording for all calls
2	Rates of pay fixed. Hourly rate includes all penalties, overtime	12	8	Ordinary hours per week - 35. These can be worked on any day at any time		Statutory			Detailed provisions	Mentioned but no detail	
3	2 wage options - a fixed increase or fixed plus performance based increase. Wage reviewed annually	36	14	Detailed provisions. Ordinary hours can be worked on any day at any time. Shifts up to 12.5 hrs	Detailed provisions. 150% for first 3 hrs, then 200% - minimum 4 hrs	5 weeks or 6 weeks for 7 day roster employees			Mentioned, but no detail		
4	4% increase	12	16	Ordinary hours are 36.75/week, Mon-Fri			Detailed provisions				Teams mentioned but no detail. Salary sacrifice mentioned
5	Wages reviewed annually to keep hourly wages equal to 1/40th of award rate	36	4	Ordinary hours can be worked on any day at any time - no penalty rates		Included in hourly rate			Mentioned but no detail		
6	CPI increases, adjusted every 6 months	36	99	Ordinary hours are 75/fortnight. These can be worked on any day. 7days, 7am - 12am	Detailed provisions	Statutory	Consultative committee formed	No detail, but KPIs mentioned	Detailed provisions	Training leave detailed	
7	No wage increase for life of AWA	Unclear	12	Flexible start time with no penalties to apply		Statutory		Mentioned, but no detail			
8	Set hourly rate. No increase	30	13	Ordinary hours can be worked on any day at any time					Mentioned, but no detail		
9	No wage increase for life of AWA	36	20	Very detailed provisions: Ordinary hours can be worked on any day at any time	Detailed provisions. 150% for first 3 hrs, then 200%	Statutory	Employers duty to discuss change but no formal consultative arrangement		Detailed provisions	Training given only when a vacancy arises	Alternative policy for injured workers. Detailed traineeship provisions
10	No wage increases for life of the AWA. Wage includes all penalties and loadings	12	22	Ordinary hours can be worked on any day at any time	Overtime paid at ordinary rate	Statutory	Consultative committee established		Mentioned, but no detail		Sexual harassment clause

Wage Increases - A New Era for Fixed Price Contracts

Wages provisions in some AWAs differ from those traditionally found in certified agreements. In three of the long term AWAs examined the wage increase was granted at the commencement of the agreement and there were no provisions for further wage increases during the life of the agreement. One particularly novel provision required employees to choose between a predetermined wage increase or a smaller fixed increase with any further increase being determined through a performance assessment.

Hours of Work

All AWAs examined had some form of hours of work provisions. There are many examples of different approaches used for increasing employer flexibility through hours in the AWAs collected. One AWA states that:

“the employer reserves the right to implement roster systems that meet

the needs of the site. Shifts may be up to 12.5 hours in duration. Prior to the introduction of a new roster system the company will consult with those employees directly affected by the changes."

In this AWA ordinary hours of work are to be worked at any time of a 24 hour span, 7 days a week. However penalties are paid for Saturday and Sunday work. Other examples of the types of flexibility employers are introducing in AWAs are found below.

[Span of hours are 24 per day, Monday to Friday. Employees are expected to have]: "An understanding of the need to work more than the basic hours, where work permits, and the maximum allowable under State legislation on any day to provide optimum use of fleet."

"An employee may have a flexible start time, no additional penalties to apply. An employee required to work Saturday, Sunday or Public Holiday shall be afforded a minimum of two hours work or two hours pay". [Hours of work are principally between 5pm and 6am Monday - Friday and weekends and public holidays.]

"The ordinary hours of work prescribed herein may be worked on any day or all days of the week, Monday to Sunday inclusive.

(a) Where a five day work cycle is operated, the ordinary hours shall be worked from Monday to Friday inclusive, between 5am and 6pm for day shift and 4pm and 5am for night shift.

(b) Where a six day week cycle is in operation, the ordinary hours shall be worked from Monday to Saturday inclusive between 5am and 6pm for day shift and 4pm and 5am for night shift."

Employee Commitment

The following AWA provision requires employees signatory to the AWA to follow company policies and procedures. It also acknowledges the right of the employer to change these policies and procedures. There is no provision to consult employees on the changes made, yet the employer is required to provide employees with reasonable notice.

"The employee acknowledges that the employer has established company policies and procedures on a range of matters, which from time to time will become relevant to the employee.

The employee will become conversant with such policies and procedures and observe them strictly at all times.

The employee also acknowledges that the employer reserves the right to amend or remove part or all of such policies and procedures from time to time at its discretion and with reasonable notice to the employee."

Conclusion

It appears that the characteristic most common across the AWAs examined are changes in hours of work for employees. The most notable is the expectation of employees to work at any time of the day or night on any day of the week up to a specified maximum. It is too early to reach any strong conclusions on this point, however, similar trends have been identified in secret individual contracts settled in the Western Australian and former Victorian industrial relations systems.⁴

AWAs are also known to contain some novel clauses, the most striking of which are the move to 'fixed price' contracts for labour. Whether these are atypical

Part 2

What's Happening With AWAs?

or symptomatic of a new approach in regulating wage movements remains to be seen.

Future issues of the ADAM report will provide an account of any further developments in AWAs. Assessing these trends will be difficult though, as research in this area is hampered by the excessive secrecy surrounding these documents. ACIRRT believes that these documents can be made public in a way which does not compromise the anonymity of the parties. For example, by deleting the name of the parties involved. Unless such a change of this nature occurs, any further debate surrounding AWAs will be conducted on the basis of partial and incomplete information. This is hardly a sound basis for evaluating and improving industrial relations policy and practice.

Endnotes

- ¹ See section 170VPB(2) and (3) of the WR Act
- ² The name, parties and industry remain confidential as the number of AWAs ratified to date is small, making identification easy.
- ³ Section 170VH
- ⁴ A summary of the findings about developments in Western Australia can be found in ADAM 8, March 1996 Section 3. Details on developments in the former Victorian jurisdiction are provided in J. Bell, *Preliminary Analysis of 116 agreements made under the Victorian Employee Relations Act*, Honours Thesis, Law Faculty Australian National University, Canberra, 1995.

Hours and Flexible Working Time Provisions

Part 3

Part 3 - Hours and Flexible Working Time Provisions

Atypical Working Arrangements

Typical working arrangements for the majority of Australians are no longer represented by the '8 hour day/ five day week/11 months of the year' model. There have been significant changes to both working time arrangements and to the types of employment relationship workers have been entering into. The increase in flexible working time have converged to result in a 'breaking down' of standardised working time arrangements in Australia. Flexible working time arrangements include annualised hours, averaging of hours and increased span of ordinary hours and the growth of atypical employment relationships such as working from home, part-time work, casual work and work under fixed contracts. Standard working time arrangements regulated by state and federal awards are increasingly being replaced by open-ended, non-standard arrangements negotiated at an enterprise level and reflected in enterprise agreements.

The mechanisms by which employees are working more flexibly appear strongly in enterprise agreements as outlined below. Not only are the working time provisions outlined designed to increase numerical and temporal flexibility, they are also designed to expand the span of *ordinary* hours that do not attract penalties and overtime rates. While this more "open-ended" flexibility carries the potential benefits for employees and employers alike, it also carries the risk of increasing the work effort and uncontrolled levels of overtime. Importantly, it also represents a shift away from standardised and regulated working time arrangements and a devolvement of decision-making over hours to the enterprise level.

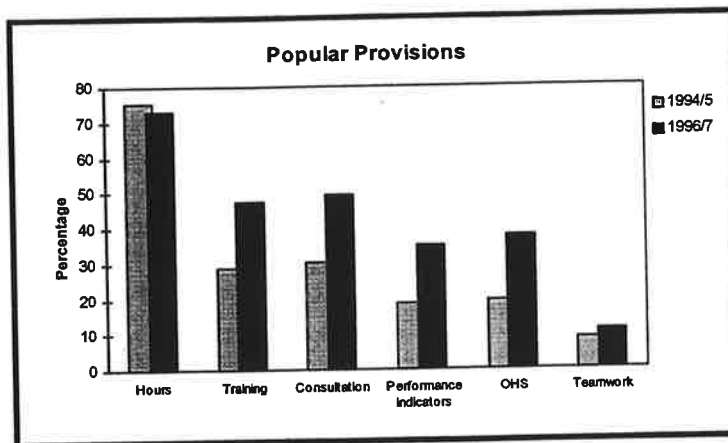
In this section we examine how enterprise agreements may have contributed to some of these developments. This has involved dividing the ADAM data set into two time periods: 1994/5 (n=1562) and 1996/7 (n=1291). This makes it possible to compare provisions in the most recent agreements with those registered in the previous two years.

Flexible Working Hours Provisions in Enterprise Agreements

The structural shift in working time arrangements is clearly evident in enterprise agreements. *ADAM Report 10* pointed to the popularity of hours provisions in enterprise agreements and this still remains the case. Figure 3.1 below indicates the popularity of hours provisions over time compared to a range of other issues. It is clear that hours provisions are still high on the bargaining agenda and are more central than other productivity enhancing provisions such as consultation, teamwork and OHS. At the same time, it should be noted that there has been a renewed interest in recent agreements in areas such as training, consultation, performance indicators and OHS provisions.

Hours and Flexible

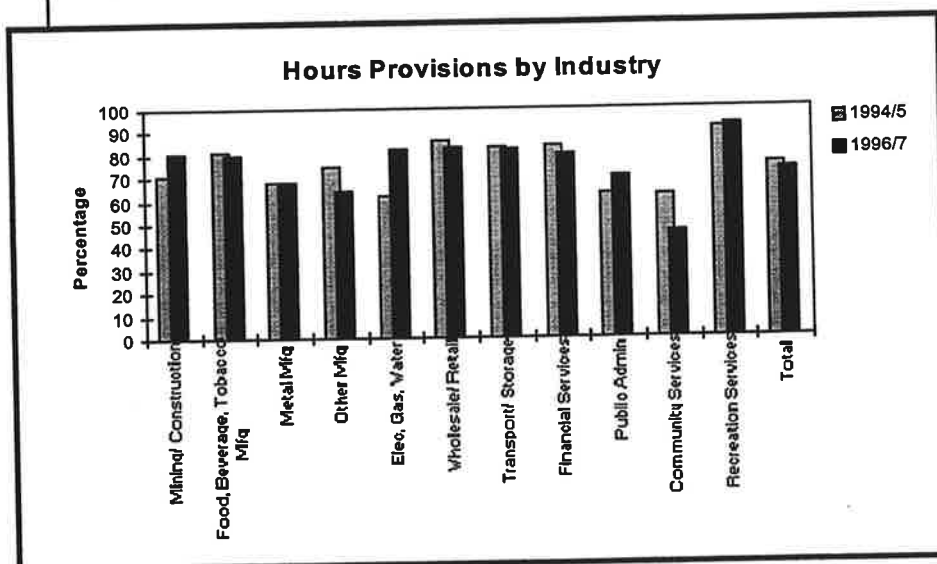
Figure 3.1 Popular Issues in Enterprise Agreements



Source: ADAM, June 1997

Figure 3.2 shows that the interest in hours and flexible working arrangements have remained steady over time. It represents the percentage of agreements which have any mention of clauses covering a number of areas such as hours of work, altering rostering arrangements, overtime and overtime rates. As expected, hours provisions are more popular in agreements from the recreational services, financial services, and wholesale/retail industries where labour costs are a large component of overall costs.

Figure 3.2. Hours Provisions by Industry



Source: ADAM, June 1997

Flexibility in Hours

Given the interest in flexible working time provisions in the labour market reform debate, what has been happening in enterprise agreements? The standard 35 and 38 hour week has been undergoing significant changes through enterprise

bargaining. Flexible arrangements such as increasing the span of hours of work, averaging hours over several weeks and the abolition of penalties and allowances have provided employers with much more flexibility in way they deploy labour. Employers are less restricted by cost to the traditional 38 hour week worked over 5 days within standard spans.

Span of hours

A clear indicator of this flexibility is measured by the span of hours for ordinary time work. As Figure 3.3 shows, the span of hours has been increasing in agreements. In many instances, agreements have been extending the ordinary span of hours up to 12 hours or longer per day. For example, instead of employees working 8 hours between the hours of 8.00 am and 4.30 pm, increasing the span of hours may mean that the worker may be required to work the hours any time between 6.00 am and 6.00 pm.

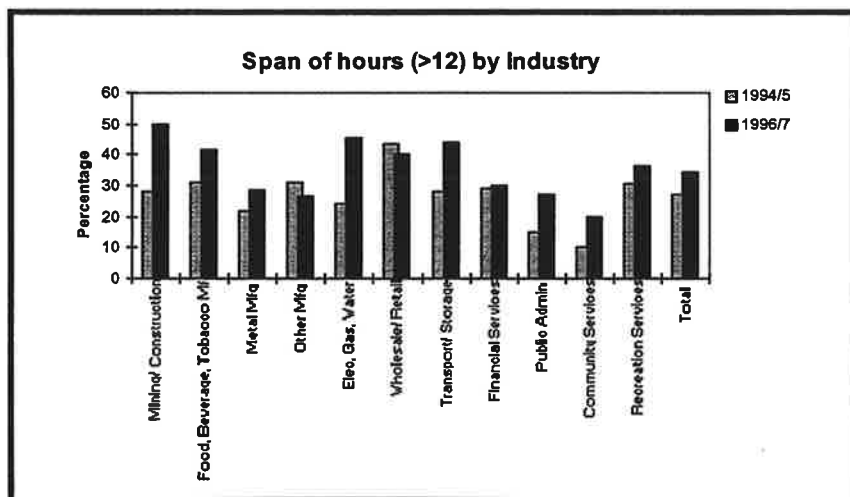
“Ordinary hours

The spread of ordinary hours of work unless otherwise provided, shall be between 6.00 am and 6.00 pm, Monday to Friday inclusive.”

Local Government Agreement

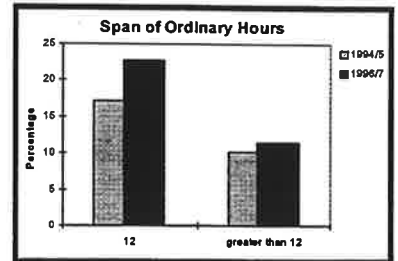
The incidence of 12 hour span provisions in agreements is found in all industries, see Figure 3.4. However, these provisions are more common in Manufacturing, Mining and Construction industries. More recent agreements in the mining, electricity, gas & water and transport industries were far more likely to contain these provisions than earlier agreements. While the introduction of changed working arrangements via new 12 hour shift provisions is quite low at 5.6% of agreements registered in 1996/7, the presence of 12 hour span arrangements is much more common at 33.2%, which in turn would theoretically allow for a 12 hour ordinary working day. The other important aspect associated with increased spans is that the planning and monitoring which accompany formal 12 hour shift arrangements (such as the monitoring of appropriate exposure standards for noise and dust) may be neglected with more a more informal 12 hour arrangements which potentially fluctuate from day to day.

Figure 3.4 Span of hours per day, 12 or greater, by industry



Source: ADAM 13, June 1997

Figure 3.3. Span of Hours



Source: ADAM 13, June 1997

Hours and Flexible

Averaging of hours

Changes to ordinary hours have been introduced not only through changing the daily span of hours but also through the averaging of hours over a month or a year. In the 1996/7 period, 11.1% of agreements provided for hours to be averaged over 4 weeks, while 5.1% provided for hours to be averaged over a year. The effect of these provisions means that workers can, for example, work more than their 38 or 40 hours per week so long as it averages out over the period specified. This means that a worker may work 60 hours one week and 20 the next.

The following agreement in the Electricity industry demonstrate the use of these flexible hours systems:

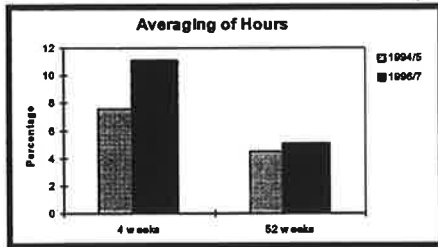
“Hours of work

Employees shall work 40 hours per week balanced over a 52 week period.

Normal working days shall comprise Monday to Friday of each week excluding public holidays.

The commencing and finishing times of each day shall be flexible to enable completion of trading and associated duties.”

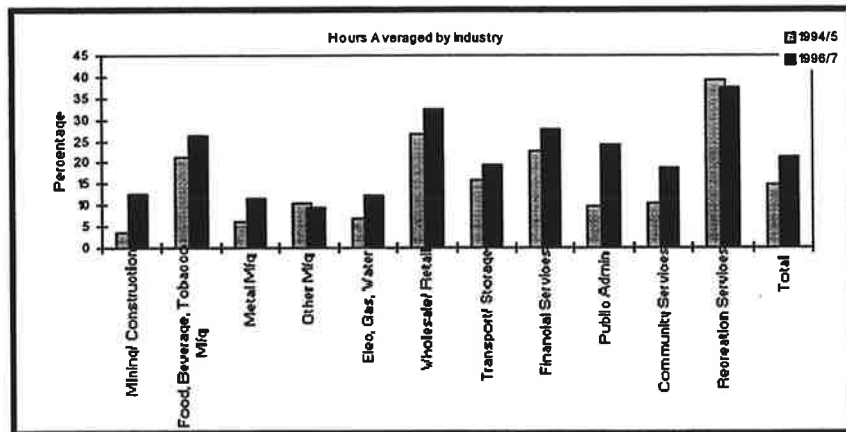
Figure 3.5 Averaging of Hours



Source: ADAM 13, June 1997

Figure 3.6 indicates that the averaging of hours is higher in the areas of Financial Services, Wholesale/Retail Trade and Recreational Services. It is in these sectors of the economy where there is a greater focus on “customer service”, therefore more likely to lead to increasing hours of operation. The impact on workers in these industries, also with a high concentration of women, will be dependent on how these flexibility provisions are introduced, appropriate workloads monitored and the sensitivity to family and personal constraints and responsibilities. For instance, while open-ended flexibility may be beneficial to the enterprise, they may prove onerous for workers with childcare arrangements that are often inflexible.

Figure 3.6 Averaging of hours, by industry



Source: ADAM 13, June 1997

Penalties, Allowances and Overtime.

Enterprise bargaining has also seen the absorption of various overtime penalties and allowances into the base wage rate. The effect of this is that there are less economic impediments to labour being deployed at times which have traditionally been regarded as private and personal, such as weekends, public holidays and the evening. This can result in a "blurring" between work time and social/family time as the disincentive for restricting opening hours or limiting production times is removed.

Generally, there has been a significant rise in the number of agreements which have considered overtime in some form, rising from 32.1% in 1994/5 to 40.9% in 1996/7. According to provisions contained with enterprise agreements, where overtime is specified, it still attracts a penalty when paid out. Only 4% of agreements stating that overtime will be paid out at single time. However, other flexibility provisions such as increased spans and averaging of hours can produce the same result insofar as they increase the time worked, whilst not attracting overtime rates or penalties. Extracts from the following agreements are used to demonstrate the use of overtime:

"Overtime

(a) Overtime will not be paid

(b) The employee and his/her General Manager may agree to time off work without deduction from salary in special circumstances"

Electricity Industry Agreement

"Overtime

All hours worked in excess of ordinary hours shall be worked by mutual agreement between the employer and the employee and shall be remunerated at the same rate per hour as those ordinary hours. Such hours shall be worked on a voluntary basis by the employee.

By mutual agreement between the employer and the employee overtime may be converted to time off in lieu payment at the rate of single time for each hour of overtime worked."

Restaurant Agreement

There is also a trend in agreements where paid overtime is replaced with time off in lieu (TOIL) provisions which allow workers to take time off rather than being paid for the extra time worked (see Figure 3.7). There has been a notable increase in time off in lieu being paid out at ordinary rates with 9.8% of recent agreements providing time off at ordinary time.

"Time in Lieu

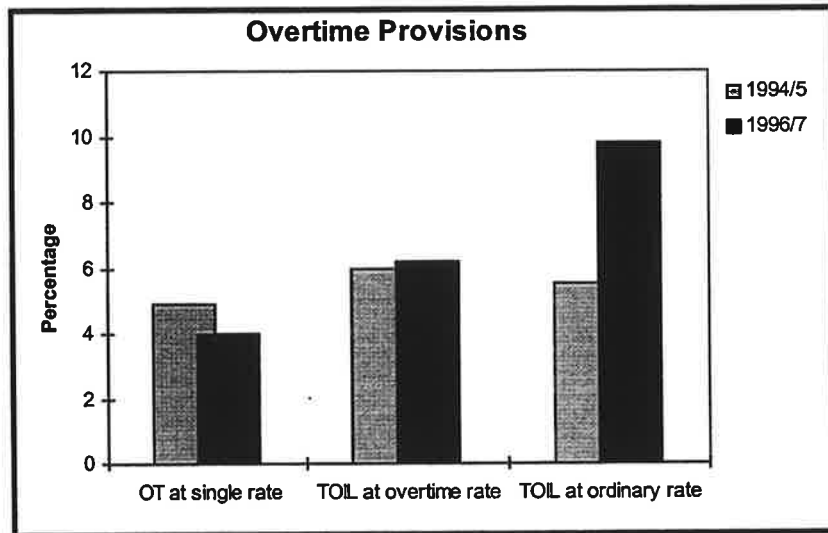
Time in lieu when taken is paid at the normal base rate of pay irrespective of when the time was accrued.

Permanent employees can carry forward a maximum of 16 hours time in lieu into the next fortnightly period and indefinitely."

Health Industry Agreement

Hours and Flexible

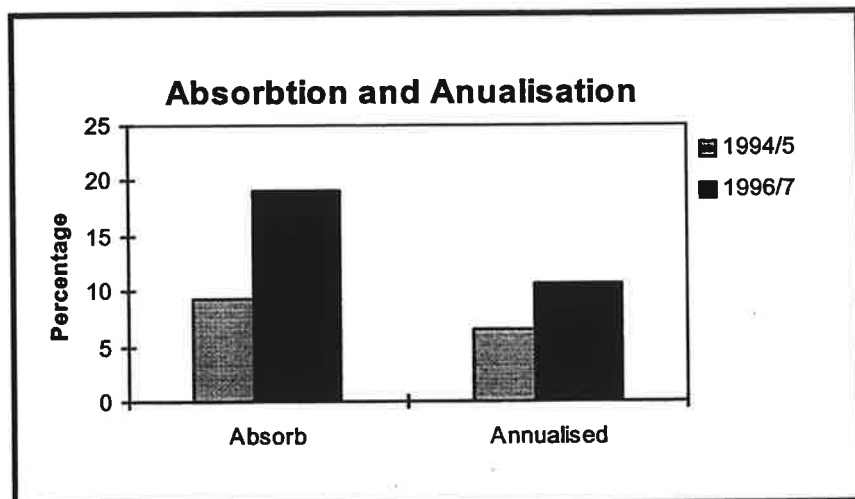
Figure 3.7 Overtime and TOIL



Source: ADAM 13, June 1997

This trend of absorbing the payment for overtime work is also evident in the annualisation of salaries and the absorption of penalties, overtime and allowances. 19.1% of recent agreements absorb at least one or more penalties, allowances or overtime, doubling the amount of agreements registered in 1994/5. Further, annualised salaries continue to be commonly used with 10.6% of agreements containing such provisions (see Figure 3.8 below). One implication of this trend is that the nexus between time worked and time paid for work becomes more difficult to establish, possibly leading to excessive additional hours being worked without adequate compensation.

Figure 3.8 Annualised Wages and Absorbed Penalties



Source: ADAM 13, June 1997

Conclusions

It is clear that working time arrangements in Australia are being transformed. Fewer employees now work "standard" hours. Enterprise agreements appear to be redefining working time standards. Flexibility in working time arrangements continue to be the most popular provisions in registered agreements and their popularity appears to be on the rise. The combination of a number of "flexible" measures such as increasing the span of hours in a day, averaging hours over a month or even a year and absorbing penalties means that the ordinary working week for many workers no longer reflects the traditional model and can result in "open-ended" working time agreements where hours of work may be more difficult for employees to influence or control. In fact, the working week is beginning to resemble what Heiler (1995, 1996) has called "quasi shiftwork". Workers may be unsure of starting and finishing times nor when there will be peaks and lulls in the work flow, making their personal and leisure lives more difficult to plan and their family responsibilities more difficult to meet. In instances when "overtime" is worked, it is less likely to be paid at a higher rate even though it is worked at a time traditionally considered "sacred". The outcome of these more flexible working arrangements may prove to be progressive and productive for employees and employers alike, but may also blur the boundaries between work and the personal and recreational lives of employees.

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ADAM Services

Customised reports

Subscribers may wish to obtain additional information quickly on issues of immediate concern. This information can be provided by commissioning customised reports prepared by ACIRRT. These reports will indicate the extent to which particular issues have been dealt with in:

- Different jurisdictions
- Particular industries

These reports include:

- tables accompanied by a brief description and commentary
- sample clauses of the issues examined
- qualitative analysis of clauses

The Breadth of ADAM

ADAM has information on over 800 different issues covered in enterprise agreements. These are grouped under the following headings:

- fundamental features such as
 - jurisdiction of registration
 - negotiating parties
 - industry of agreement
 - period of operation
- agreement objectives
- methods to achieve objectives
- flexibility arrangements: functional and numerical
- training and skills formation
- productivity and efficiency improvement measures
- quality and performance indicators
- termination, dispute settling and grievance procedures
- hours and flexible work arrangements
- shift work
- overtime
- wages
- juniors, traineeships and apprenticeships
- allowances
- leave entitlements
- change, redundancy and severance pay
- employee representation and consultative arrangements
- superannuation
- equal employment opportunity

Further Information

To discuss your requirements and for an obligation free quote contact Betty Arsovska on (02) 9351 5626 or fax (02) 9351 5615.

E-Mail bettya@bullwinkle.econ.su.oz.au

Technical Appendix

ADAM

The Agreements Database and Monitor (ADAM) has been developed and maintained by the Australian Centre for Industrial Relations Research and Training (ACIRRT) at the University of Sydney. The coding framework on which the system is based is derived from an awards database that has been developed over many years by Alban Gillezeau, one of the researchers at the Centre.

All clauses in all agreements included in ADAM have been read, interpreted by coders and then noted against the relevant section of the coding framework. All coders have either tertiary qualifications or practical experience in industrial relations and have been trained to ensure consistency in coding. Coders' work is systematically checked to minimise error in the coding process. Once entered, the data is checked for typographical errors before any statistics are released.

Agreements on the database

Agreements have been checked on a stratified, random basis. This has been done to ensure that a statistically significant number of agreements are coded from as many industries as possible. This has meant "oversampling" in some industries (eg. electricity, gas and water and some private services industries) and some "undersampling" in others (eg. parts of manufacturing). This approach to sampling allows us to report at the industry level with a high degree of confidence developments.

Industry

The industry categories used are based on the Australian Standard Industry Classification (ASIC) volumes 1 and 2. This will soon be converted to the new industry coding contained in the Australian and New Zealand Standard Industry Classification (ANZSIC).

Details on industry coverage is usually provided in agreements. Where it is unclear workplace managers have been contacted for this information. In a limited number of cases this information is yet to be obtained.

Estimating Annual Wage Increases

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. The rate of increase is then divided by the number of months for which the agreement runs. This figure is then multiplied by twelve to generate an estimate of what the wage increase would be over a 12 month period. Because of delays in the registration process a few agreements will only run officially for a couple of months. Where it is apparent that the official duration of the agreement is unduly short as a result of administrative delays, such agreements are excluded from the calculations so as not to artificially raise the estimate of average annual increases contained in all agreements.

ADAM Briefing Dates

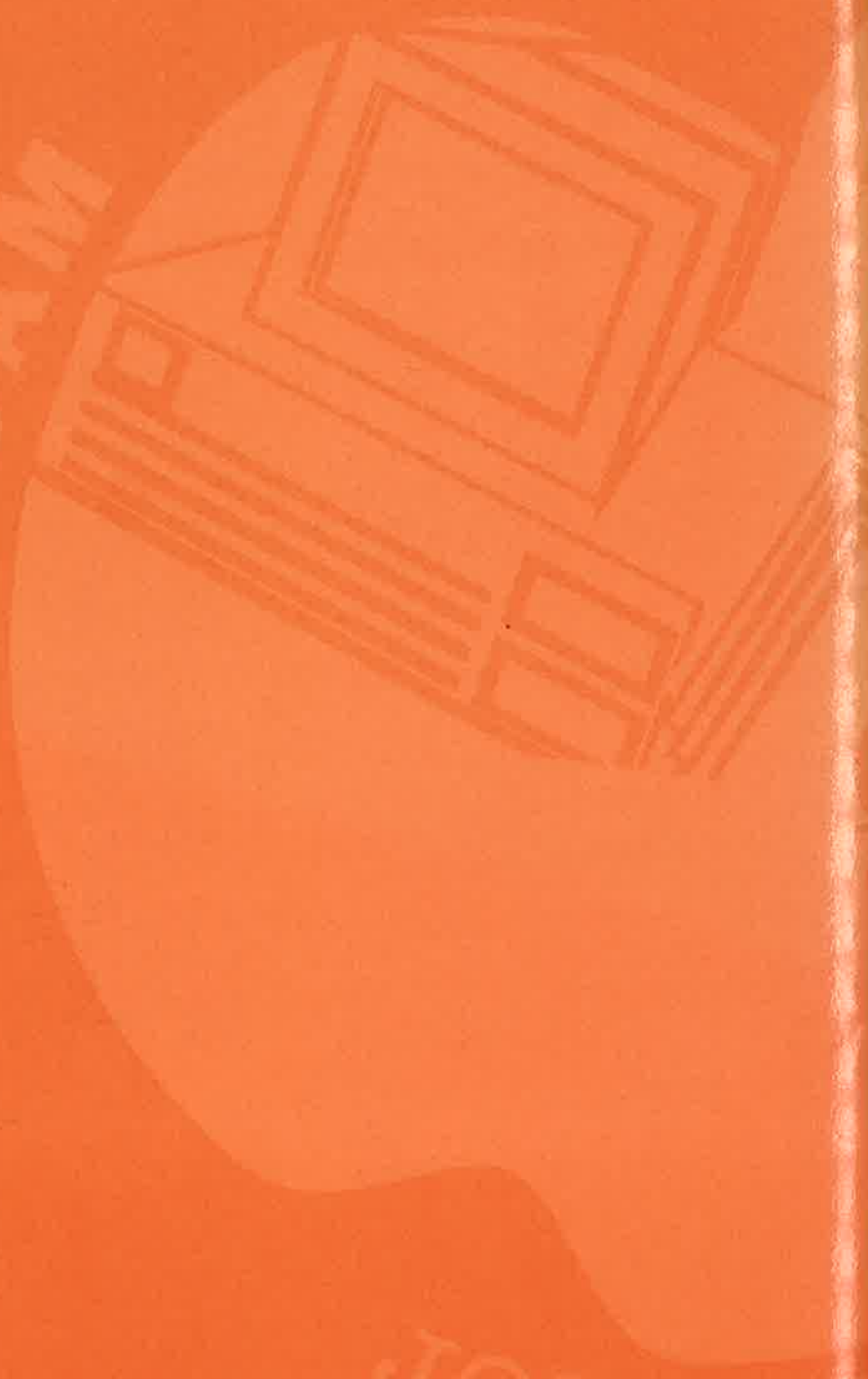
As part of the ADAM Subscription service, subscribers are invited to attend a complimentary briefing in most capital cities. Dates set for the 1997 series of ADAM Briefings are as follows:

Sydney	Monday, 7 July 1997
Brisbane	Monday, 14 July 1997
Adelaide	Wednesday, 27 Aug 1997
Melbourne	Monday, 13 October 1997
Perth	TBA

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