

SUPPLEMENTARY

Submission

to

House of Representatives Standing Committee on
Employment, Workplace Relations and Workforce Participation

Inquiry into workforce challenges in the Australian tourism sector

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**SUPPLEMENTARY SUBMISSION OF THE
LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

TO THE 2006-2007 INQUIRY INTO
WORKFORCE CHALLENGES

IN THE AUSTRALIAN TOURISM SECTOR**

The Liquor, Hospitality and Miscellaneous Union (LHMU) welcomes the opportunity to make a supplementary submission to the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation's current inquiry into workforce challenges in the tourism industry in Australia.

The LHMU lodged a submission in August 2006, and has been invited to appear before the Committee at its public hearing in Sydney on Friday, 31 March 2007. This supplementary submission refers to the page numbers and sub-headings of the LHMU's August 2006 submission:

Page 3: Total employment – Accommodation, cafes and restaurants

ABS figures¹ for as at May 2005 (released May 2006) establish that non-managerial employees in the Accommodation, Cafes and Restaurants sector without paid leave entitlements remain in the majority in the sector – at 58 per cent of the sector or 278.803 employees.

Page 7: The Current Wage Freeze.

The December 2006 Australian Fair Pay Commission has flowed to most employees in tourism-related industries, ending the 17-month wage freeze referred to in the LHMU's August 2006 submission. The hourly increases (72 cents and 58 cents) applied to basic periodic rates of pay. While these increases were welcomed by low-paid workers in the sector, the delay in the wage adjustment caused considerable hardship. The Australian Council of Trade Unions has calculated that, compared to the rate of inflation, average earnings for full-time workers in the private sector

¹ ABS Series 6310 – *Employee Earning, Benefits and Trade Union Membership*.

have dropped by 0.6 per cent in the 12 months to March 2007. For women in the private sector, the average reduction was 1.8 per cent².

Page 8: Enterprise bargaining

In its August 2006 submission, the LHMU said:

There has been no discernible increase in the level of enterprise bargaining in recent years. Where “bargaining did occur in the 1997-2005 period, it was often driven by freelancer bargaining agents – engaged by employers for the purpose – who manipulated the “no disadvantage test” to drive real wages below the so-called properly fixed minima and to lock low wage rates into non-union agreements.

In the intervening 8 months, the LHMU has in fact observed an increase in “enterprise bargaining”. The Office of Employment Advocate (OEA) earlier this calendar year commenced publication of collective workplace agreements on its website. It is not always possible to establish from the published information the date of commencement of the posted agreements, or their nominal expiry date. This is because they are often expressed in vague terms, normally commencing on “the date of lodgement with the OEA”. The OEA does not supply details of lodgment dates to the LHMU for non-union collective agreements, including employer Greenfield agreements. However, it is generally possible to determine the approximate starting date of the agreement by comparing the wage rates

A pattern emerging from the LHMU’s examination of non-union collective agreements posted in respect of tourism and related industries is that they almost universally slash award conditions.

Many appear to have been prepared by template; some are in the same font and numbered identically.

The LHMU notes from the Department of Employment and Workplace Relations (DEWR) submission to this inquiry that in 2005, the Department was engaged in a “secondment” project with employer associations in the tourism sector. The project was designed to promote Australian Workplace Agreements (AWAs), and as part of the process, the OEA developed a series of framework AWAs “tailored specifically for the hotels and accommodation industry sectors”. OEA

² ACTU (27.3.07), *One Year On: The Impact of the new IR laws on Australian working families-*

partners included the Hotel, Motel and Accommodation Association, and the Australian Hotels Association.

The mounting evidence is that these “individual” framework AWAs have been converted into “collective” non-union agreements. Most – but not all – non-union collective agreements posted on the OEA website and examined by the LHMU in recent weeks have the following features:

They maintain existing minimum award rates for work in ordinary hours (defined in the major hospitality awards as hours worked between 7am and 7pm Monday to Friday) (as adjusted by the Australian Fair Pay Commission’s 2006 Wage-Setting Decision) as actual rates for all purposes. This means they remove supplementary (penalty) rates for work between 7pm and 7am on weekdays, for Saturday work, for Sunday work and (in many cases) for public holiday work. There is no “bargain” for future wage increases: overwhelmingly, the template agreements merely express an intention to pass on only wage increases (or decreases) that might be made from time to time by the Australian Fair Pay Commission. In other words, there is no industry-specific compact – the industry has simply reduced its weekend and public holiday wage-cost structure with no balancing benefit to employees present or future.

They also abolish annual leave loading; reduce the notice period for the posting of new rosters; eliminate award-based allowances; and reduce the casual loading from the industry standard of 25 per cent to the default legislative standard of 20 per cent. Most enumerate and exclude every “protected allowable award matter” specified in section 354 of the Act. All were made for the maximum permissible period – 12 months on the case of employer Greenfield agreements; five years in the case of other non-union collective agreements.

Because the legislation now permits it, the agreements are simply rubber-stamped by the OEA. No attempt is made to qualify the totally misleading language of the template agreements – specifically, the assertion that rates of pay set out in the Agreement “compensate the Employee for the exclusion of all protected award conditions”, when in fact the rates of pay are exactly equal to award rates of pay and the “compensation” for the exclusion of protected award conditions is zero.

Attached and marked “Attachment A “and Attachment B” respectively are LHMU analyses of two agreements chosen at random from the “accommodation, cafes and restaurants” section of the OEA agreements web-site, specifically for agreements lodged in the period 1/1/07 to 25/3/07. One analyses an agreement known as “Able People Pty Ltd Employee Collective Agreement 2006”. The

other analyses an agreement known as the “A.T. Hotels (Bundaberg) Pty Limited Employee Collective Agreement 2006-2011. These attachments demonstrate the real effect on working families of the new agreement-making regime for employers embodied in *WorkChoices* and now being fully-exploited in tourism and related industries.

Page 9-10: Wages

ABS December quarter 2006 figures demonstrate that the “accommodation, cafes and restaurants” sector continues to have one of the lowest quarterly and annual increases in total hourly rates of pay. The quarterly increase for the sector was 0.7 per cent; the annual increase was 2.0 per cent. The Consumer Price Index increase for the quarter was 3.3 per cent.

According to the ABS series, *Employee Earnings and Hours* (ABS 6306.0) May 2006 – released 28 February 2007 – full-time non-managerial employees in the accommodation, cafes and restaurant sector earned an average \$753.10 per week. This group is a minority in the sector. Part-time non-managerial employees earned an average of \$316.30 per week. The total for all employees, full-time and part-time, was \$485.00 per week.

The LHMU notes its assessment of the low-wage status of the tourism and related industries is not disputed by DEWR, which in a submission to this inquiry, acknowledged that “more people employed in the tourism industry received considerably lower incomes compared with the averages for all industries”. In August 2001, DEWR acknowledges, 63.2 per cent of tourism employees earned less than \$600 a week, compared to 50.3 per cent for all industries. Only 11.6 per cent tourism employees earned more than \$1000 a week at the same date, compared with 20.5 per cent for all industries.

Part 5: Conclusions

Nothing sighted by the LHMU in the eight months since it lodged its submission to this inquiry has disturbed or qualified the conclusions reached in that submission. We note that our concerns about the *transitory* nature of employment in tourism and related industries – fueled by low wages and limited attention to career development - were reinforced by the submission lodged by Professor Hayllar, Head of the School of Leisure, Sport and Tourism at the University of Technology, Sydney.

ANALYSIS OF THE “ABLE PEOPLE PTY LTD EMPLOYEE COLLECTIVE AGREEMENT 2006”

THE Able People Pty Ltd Employee Collective Agreement 2006 is expressed to apply for 5 years from the date on which it was lodged with the Office of Employment Advocate, The OEA does not provide information on the date of lodgment.

The agreement applies to “employees of the employer covered by this Agreement” – that is, employees of Able People Pty Ltd whose duties fall with the classification descriptions set out in clause 6 of the agreement. These descriptors are drawn from the Hospitality Industry – Accommodation, Hotels, Resorts and Gaming Award 1998 and the Liquor and Accommodation Industry – Hotels, Resorts and Gaming – (Managerial Staff) – Award 2003 consistent with an accommodation establishment.

The Agreement is expressed to apply only to future employees –only to “employees employed after the 27th September 2006”. As a matter of construction, its terms do not apply to employees employed prior to 27 September 2006, even though such employees (if any) may still be in employment. These employees (if any) would continue to enjoy award benefits.

The Agreement does not nominate the specific establishment or establishments intended to be covered by it. However, it provides that employees “may be reasonably required from time to time to work at sites operated by the Employer other than their regular place of employment” (clause 2.2), which indicates it is (or may become) a multi-site agreement.

Able People Pty Limited (113 723 710) was registered in New South Wales in 2005, as an Australian proprietary company limited by shares. Its sole director is Margaret Ann Millett, of 24 Towns Road, Vacluse, NSW. The company has a paid up share capital of \$1. Ms Millett is also a director of Go Tomorrow Pty Limited; Millcrest Employment Services Pty Limited; Millcrest Pty Ltd; Millett Group Pty Limited; Millett Nominees Pty Limited; Tour Up! Pty Limited; Travel Up! Pty Limited; Wake Up! International Pty Limited; Wake Up! Properties Pty Limited; and 509 Pitt Street Pty Limited.

The main coverage of the Able People Pty Ltd Agreement appears to be employees engaged at the 500-bed *Wake Up! Backpackers Hostel* located in Sydney, at the corner of Pitt and George Streets. This hostel has been operated by interests associated with the Millett family for about seven years. However, Able People Pty Ltd appears to have become the employer of employees at the hostel only recently.

One argument advanced by supporters of *Work Choices* was that *Work Choices* allowed for the payment of higher wages and salaries in lieu of payments of penalty rates, overtime and allowances – a form of grossing up of wages to avoid bundy clocks and time sheets. This may be the Government’s expectation, but it is not the reality in many of the post-*Work Choices* agreements in the tourism and related industries. The Able People agreement is a classic example.

The terms of the Agreement displace many valuable minimum conditions of the *Hospitality* and *Managerial Staff* Awards. All protected allowable matters within the meaning of section 354 of the *Workplace Relations Act* - including “provisions of the Award dealing with rest breaks, incentive based payments and bonuses, annual leave loading, State and Territory specific public holidays, allowances, loadings for overtime and shift work, penalty rates, outworkers conditions and any other matter specified in the Regulations” - are expressly excluded from operation by the Agreement (Agreement clause 3.3). Nothing in the Agreement counter-balances what has been displaced.

Because the agreement displaces weekend penalty rates, overtime rates of pay and public holiday penalty rates, the wage rates in the Agreement fall far short of rates applicable to Hospitality Award employees, including those in establishment in direct competition with *Wake Up!*.

Pre-WorkChoices, the terms of the Agreement would clearly fail the statutory “no disadvantage” test. As that statutory test has been abolished, there is now no requirement to justify the rates of pay provided in the Agreement. These actual rates of pay are equal to the MINIMUM rates of pay for ordinary hours worked between 7am and 7pm on weekdays for comparable classifications in the Hospitality Award.

For casual employees, the casual loading is fixed in the agreement at 20 per cent – which is the default loading under *WorkChoices*. The *Hospitality* Award casual loading is 25 per cent – which is a straight reduction of 5/125ths or 4 per cent in take home pay for casual hours worked between the hours of 7am and 7pm Monday to Friday. Because the 20 per cent loading applies for ALL hours worked, the reduction in Award rates of pay is magnified between the hours of 7pm and 7am Monday to Friday, on Saturdays and Sundays, and on public holidays. In the *Managerial Staff* and *Hospitality* Awards, there is provision to offer an employee an annualized salary in lieu of penalty and overtime payments. It involved a compensating payment of 25 per cent of the employee’s minimum award rate. That provision is ignored in the *Able People* agreement – the compensation is zero.

The 17.5 half per cent annual leave loading provided in the award for full-time and part-time employees has also vanished from the agreement, without compensation

CLASSIFICATION	Penalty rates										
	Weekly 38 hours	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50 ¹	Casual 1.50 ²³	1.75 ⁴	Casual 1.75	2.00 ⁵	2.50 ⁶	Casual 2.75 ⁷
	\$	\$	\$	\$	\$		\$		\$	\$	\$
AWARD LEVEL 1	528.46	13.91	13.91	17.38	20.86	20.86	24.34	24.34	27.81	34.77	38.24
Food & beverage attendant grade 1											
Kitchen attendant grade 1											
Guest service grade 1											
Person not otherwise provided for											
ABLE PEOPLE PTY LTD		13.91	13.91		13.91		13.91		13.91	13.91	
Casual				16.69		16.69		16.69			16.69
Difference per hour		nil	nil	- 0.69	- 6.95	- 4.17	- 10.43	- 7.65	- 13.90	- 20.86	- 21.55

AWARD LEVEL 2	553.50	14.57	14.57	18.21	21.85	25.49	25.49	29.13	29.13	36.41	40.06
Food & beverage attendant grade 2											
Cook grade 1											
Kitchen attendant grade 2											
Clerical grade 1 (excl. SE Qld)											
Front office grade 1 (excl SE Qld)											
Storeperson grade 1											
Door person/ security officer grade 1											
Leisure attendant grade 1											
Guest service grade 2											
ABLE PEOPLE PTY LTD		14.57	14.57		14.57		14.57		14.57	14.57	
Casual				17.48		17.48		17.48			17.54
Difference per hour		NIL	NIL	- 0.73	- 7.28	- 8.01	- 10.92	- 11.65	- 14.56	- 21.57	- 22.52

¹ Overtime rate – first two hours

² Award rate for Saturday work

³ Award rate for Sunday work

⁴ Award rate for Sunday work

⁵ Overtime rate – third and subsequent hours

⁶ Award rate for public holiday work

⁷ Award rate for public holiday work

CLASSIFICATION	Weekly 38 hours	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50⁸	Casual 1.50^{9 10}	1.75¹¹	Casual 1.75	2.00¹²	2.50¹³	Casual 2.75¹⁴
	\$	\$	\$	\$	\$		\$		\$	\$	\$
LEVEL 3	571.86	15.05	15.05	18.81	22.57	22.57	26.34	26.34	30.10	37.62	41.38
Food & beverage attendant grade 3											
Cook grade 2											
Kitchen attendant grade 3											
Clerical grade 2 (excl. SE Qld)											
Guest service grade 3											
Front office grade 2 (excl SE Qld)											
Storeperson grade 2											
Timekeeper/security officer grade 2											
Handy person											
Leisure attendant grade 2											
Forklift driver											
Loading bay security officer Wrest Point Casino											
ABLE PEOPLE PTY LTD		15.05	15.05		15.05		15.05		15.05	15.05	
Casual				18.06		18.06		18.06			18.06
Difference per hour		NIL	NIL	- 0.75	- 7.52	- 8.28	- 15.05	- 12.04	- 15.05	- 22.57	- 23.32

⁸ Overtime rate – first two hours

⁹ Award rate for Saturday work

¹⁰ Award rate for Sunday work

¹¹ Award rate for Sunday work

¹² Overtime rate – third and subsequent hours

¹³ Award rate for public holiday work

¹⁴ Award rate for public holiday work

CLASSIFICATION	Weekly 38 hours	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50¹⁵	Casual 1.50^{16,17}	1.75¹⁸	Casual 1.75	2.00¹⁹	2.50²⁰	Casual 2.75²¹
	\$	\$	\$	\$	\$		\$		\$	\$	\$
AWARD LEVEL 4	605.56	15.94	15.94	19.92	23.90	23.90	27.89	27.89	31.87	39.84	43.82
Clerical grade 3 (excl SE Qld)											
Storeperson grade 3											
Leisure attendant grade 3											
Food & beverage attendant grade 4 (tradesperson)											
Cook grade 3 (tradesperson)											
Guest service grade 4											
Front office grade 3 (excl SE Qld)											
ABLE PEOPLE PTY LTD		15.94	15.94		15.94		15.94		15.94	15.94	
Casual				19.12		19.12		19.12			19.12
Difference per hour		NIL	NIL	- 0.80	- 7.96	- 4.78	- 11.95	- 8.77	- 15.93	- 23.90	- 24.70

AWARD LEVEL 5	647.26	17.03	17.03	21.29	25.55	25.55	29.81	29.81	34.07	42.58	46.84
Food & beverage supervisor											
Guest service supervisor											
Cook grade 4 (tradesperson)											
Clerical supervisor (excl SE Qld)											
Front office supervisor (excl SE Qld)											
Security officer Sheraton Brisbane Hotel											
ABLE PEOPLE PTY LTD		17.03	17.03		17.03		17.03		17.03	17.03	
Casual				20.44		20.44		20.44			20.44
Difference per hour		NIL	NIL	- 0.85	- 8.52	- 5.11	- 12.78	- 9.37	- 17.04	- 25.55	- 26.40

¹⁵ Overtime rate – first two hours

¹⁶ Award rate for Saturday work

¹⁷ Award rate for Sunday work

¹⁸ Award rate for Sunday work

¹⁹ Overtime rate – third and subsequent hours

²⁰ Award rate for public holiday work

²¹ Award rate for public holiday work

CLASSIFICATION	Weekly 38 hours	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50²²	Casual 1.50^{23,24}	1.75²⁵	Casual 1.75	2.00²⁶	2.50²⁷	Casual 2.75²⁸
	\$	\$	\$	\$	\$		\$		\$	\$	\$
AWARD LEVEL 6	666.16	17.53	17.53	21.91	26.30	26.30	30.68	30.68	35.06	43.83	48.21
Cook grade 5 (tradesperson)											
ABLE PEOPLE PTY LTD		17.53	17.53		17.53		17.53		17.53	17.53	
Casual				21.04		21.04		21.04			21.04
Difference per hour		NIL	NIL	- 0.87	- 8.77	- 5.26	- 13.15	- 9.64	- 17.53	- 26.30	- 27.17

²² Overtime rate – first two hours

²³ Award rate for Saturday work

²⁴ Award rate for Sunday work

²⁵ Award rate for Sunday work

²⁶ Overtime rate – third and subsequent hours

²⁷ Award rate for public holiday work

²⁸ Award rate for public holiday work

ANALYSIS OF THE “A.T. HOTELS (BUNDABERG) PTY LIMITED EMPLOYEE COLLECTIVE AGREEMENT 2006 – 2011”

This text of this Agreement appears on the Office of Employment Advocate (OEA) website. On its front page, it bears the date 10 November 2006 – two weeks after the Australian Fair Pay Commission’s *Wage Setting Decision No 1* was published (26 October 2006). The agreement has a nominal expiry date of 1 December 2011. The rates of pay in the agreement appear to incorporate the AFPC adjustment of 72 cents per hour to basic periodic rates of pay in all wage scales below \$700 a week. According to the Agreement, the “basic periodic rates of pay” set out in the Agreement will increase “in accordance with the annual determinations by the AFPC” to increase the pay scales generally (clause 3.2.3).

The agreement (clause 1.3.3) operates to exclude “all protected award conditions”, as defined in section 354 of the *Workplace Relations Act 1996* derived from two awards of the Australian Industrial Relations Commission which apply in Queensland - the *Hospitality Industry – Accommodation, Hotels, resorts and Gaming Award 1998* (“the Hospitality Award”) and the *Liquor and Accommodation Industry – Hotels, Resorts and Gaming – (Managerial Staff) – Award 2003* (“the Managerial Staff Award”).

The rates of pay in the Bundaberg Agreement are expressed as hourly rates, and apply to all hours worked – whether at weekends, whether as overtime, and whether on public holidays. The Agreement provides:

No additional payment will be received by an employee for working reasonable additional hours other than being paid the same basic periodic rate of pay as set out in clause 3.2.1 of this Agreement for each additional hours worked in compensation for the exclusion of their Award overtime penalties and allowances (clause 4.2.3). Managers are paid nothing extra for additional hours worked (clause 4.2.4).

The basic periodic rates of pay set out in clause 3.2.1 of this Agreement compensate the Employee for the exclusion of all protected award conditions in this Agreement (clause 3.2.2).

All Employees will be paid the basic periodic rate of pay as set out in clause 3.2.1 of this Agreement for work on public holidays as that hourly rate compensated for the exclusion of public holiday penalties (clause 5.6.1). The Employer requires all Employees to be available to work on public holidays unless the Employee has reasonable grounds for refusal (clause 5.6.3).

The *Hospitality* and *Managerial Staff* Awards have the in-built flexibility to enable employers to offer salary packages to employees which enable an all-purposes rate of pay to be determined, to “compensate” for the exclusion of overtime rates and weekend, out of hours and public holiday penalty rates. These are grossing-up provisions which, in broad terms, under the relevant Award clause¹, allow employers to pay 25 per cent above the relevant classification rate as an offset for designated award provisions. Neither clause has been utilized by the Bundaberg Hotel. Rather – as explained below – flexibility of the award has been ignored and the employer has “offset” the award provisions without any “compensation” at all for employees.

It is noted in passing that the Agreement has provision for “employees employed prior to the date of operation of the agreement” (that is, prior to 1 December 2007) may elect “to be paid in accordance with their existing hourly rate of pay under the Award”. The clause is ambiguous as it does not specify whether the “existing hourly rate of pay” is the ordinary time rate, or the various rates of pay payable under the award according to the time in which or the days on which the employee works. Nor does this “election” apply to new employees – they have been dealt out of the game.

The effect on employees is set out in the following tables:

TABLE 1: INTRODUCTORY LEVEL EMPLOYEE

BUNDABERG AGREEMENT	HOSPITALITY AWARD – 2006 rates	COMMENT
Agreement Job Level (a) - an introductory classification which allows for employees to be engaged for up to 988 nominal hours (defined as “one ordinary hour worked”) at the adult rate of \$13.47 an hour. The casual rate is 20 per cent higher than the full-time employee rate.	The Introductory Level in the Award is for new entrants to the industry and is a training Level “for up to three months”. The 2007 wage rate is \$13.47 per hour for ordinary hours (between 7am and 7pm) Monday to Friday. The casual rate is 25 per cent higher than the full-time employee rate for weekday work; a further 25 per cent higher on Saturdays (ie, ordinary time rate plus 50 per cent) and a further 25 per cent higher on Sundays (ie, ordinary hourly rate plus 75 per cent)	Both the Bundaberg rate full-time rate and the Bundaberg casual rate are expressed to apply for all purposes. The loss to employees is catalogued below:

CLASSIFICATION	Penalty rates									
	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50 ²	Casual 1.50 ^{3,4}	1.75 ⁵	Casual 1.75	2.00 ⁶	2.50 ⁷	Casual 2.75 ⁸
	\$	\$	\$	\$		\$		\$	\$	\$
AWARD INTRO. LEVEL	13.47	13.47	16.83	20.20	20.20	23.57	23.57	26.93	33.67	37.04
BUNDABERG HOTEL (A)	13.47	13.47		13.47		13.47		13.47	13.47	
Bundaberg Casual			16.16		16.16		16.16			16.16
Difference per hour	nil	nil	- 0.67	- 6.73	- 4.04	- 10.10	- 7.41	- 13.46	- 20.20	- 20.88

² Overtime rate – first two hours

³ Award rate for Saturday work

⁴ Award rate for Sunday work

⁵ Award rate for Sunday work

⁶ Overtime rate – third and subsequent hours

⁷ Award rate for public holiday work

⁸ Award rate for public holiday work

JOB LEVEL B

BUNDABERG AGREEMENT	HOSPITALITY AWARD – 2006 rates	COMMENT
<p>Agreement Job Level (b) – applies to “proficient” employees including kitchen hands, bottle shop attendants and bar staff. The hourly rate of pay is \$14.57 for full time employees and \$17.48 for casual employees. The casual rate is 20 per cent higher than the full-time employee rate</p>	<p>Level 1 in the Award applies to kitchen attendants. The full-time employee basic rate of pay is \$13.91 an hour. The casual rate is \$17.38 per hour.</p> <p>Level 2 in the Award applies to an unqualified employee engaged in “supplying, dispensing or mixing of liquor including the sale of liquor from the bottle department”. The full-time employee rate is \$14.57 and the casual rate is \$18.21.</p> <p>Level 3 in the award applies to employees, including bar staff, who have completed an appropriate training course or who have equivalent skills and experience. The full-time ordinary hours rate is \$15.05 and the casual rate is \$18.81</p>	<p>Both the Bundaberg rate full-time rate and the Bundaberg casual rate are expressed to apply for all purposes. The Agreement conflates three Award levels and adopts the award rate for the middle Award level. The Agreement casual rate is below the middle level (Level 2) Award rate.</p> <p>The effect on employees is summarized below:</p>

CLASSIFICATION	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50 ⁹	Casual 1.50 ^{10 11}	1.75 ¹²	Casual 1.75	2.00 ¹³	2.50 ¹⁴	Casual 2.75 ¹⁵
	\$	\$	\$	\$		\$		\$	\$	\$
AWARD LEVEL 1	13.91	13.91	17.38	20.86	20.86	24.34	24.34	27.81	34.77	38.24
BUNDABERG HOTEL (B)	14.57	14.57		14.57		14.57		14.57	14.57	
Casual			17.48		17.48		17.48			17.48
Difference per hour	+0.66	+0.66	+0.10	- 6.29	- 3.38	- 9.77	- 6.86	-12.24	- 20.20	- 20.76
AWARD LEVEL 2	14.57	14.57	18.21	21.85	25.49	25.49	29.13	29.13	36.41	40.06
BUNDABERG HOTEL (B)	14.57	14.57		14.57		14.57		14.57	14.57	
Casual			17.48		17.48		17.48			17.54
Difference per hour	NIL	NIL	- 0.73	- 7.28	- 8.01	- 10.92	- 11.65	- 14.56	- 21.57	- 22.52
LEVEL 3	15.05	15.05	18.81	22.57	22.57	26.34	26.34	30.10	37.62	41.38
BUNDABERG HOTEL (B)	14.57	14.57		14.57		14.57		14.57	14.57	
Casual			17.48		17.48		17.48			17.48
Difference per hour	- 0.48	- 0.48	- 1.33	- 8.00	- 5.09	- 11.77	- 8.86	- 15.53	- 23.05	- 23.90

⁹ Overtime rate – first two hours

¹⁰ Award rate for Saturday work

¹¹ Award rate for Sunday work

¹² Award rate for Sunday work

¹³ Overtime rate – third and subsequent hours

¹⁴ Award rate for public holiday work

¹⁵ Award rate for public holiday work

JOB LEVEL C

BUNDABERG AGREEMENT	HOSPITALITY AWARD – 2006 rates	COMMENT
Agreement Job Level (c) applies to gaming employees and cooks. The basic hourly rate for full-time employees is \$15.05 and the casual rate is \$18.06 per hour.	The Award classification for a non-trade qualified cook in Level 3, and gaming employees are at a minimum of Level 3. The Monday-Friday ordinary hours Award rates for Level 3 at \$15.05 an hour for full-time employees and \$18.81 an hour for casual employees.	The full-time employee Agreement rate is the same as the Monday-Friday Award rate. The Agreement rate applies for all purposes, so there is no “compensation” in the rate for any hour worked in the 7-day week for the loss of penalty rates and other preserved award entitlements. The effect on cooks and gaming employees is set out below:

LEVEL 3	15.05	15.05	18.81	22.57	22.57	26.34	26.34	30.10	37.62	41.38
BUNDABERG HOTEL (C)	<i>15.05</i>	<i>15.05</i>		<i>15.05</i>		<i>15.05</i>		<i>15.05</i>	<i>15.05</i>	
Casual			<i>18.06</i>		<i>18.06</i>		<i>18.06</i>			<i>18.06</i>
Difference per hour	NIL	NIL	- 0.75	- 7.52	- 8.28	- 15.05	- 12.04	- 15.05	- 22.57	- 23.32

JOB LEVEL D

BUNDABERG AGREEMENT	HOSPITALITY AWARD – 2006 rates	COMMENT
Agreement Job Level (d) applies to chefs and supervisors. It provides a full-time wage rate of \$15.93 an hour and a casual rate of \$19.12 an hour.	Award Level 4 if the “trade” qualified classification, providing a full-time hourly rate of \$15.94 an hour and a casual rate of \$19.92 an hour.	The Agreement conflates Award Levels 4 and 5, effectively downgrading supervisors from Level 5 equivalent to Level 4 equivalent. Both occupations are significantly disadvantaged when the loss of overtime rates, and weekend, night and public holiday penalty rates are taken into account. The effect is illustrated below.

CLASSIFICATION	Mon-Fri Full-time Hourly	Mon-Fri Part-time Hourly	Casual Hourly plus 25%	1.50¹⁶	Casual 1.50^{17 18}	1.75¹⁹	Casual 1.75	2.00²⁰	2.50²¹	Casual 2.75²²
	\$	\$	\$	\$		\$		\$	\$	\$
AWARD LEVEL 4	15.94	15.94	19.92	23.90	23.90	27.89	27.89	31.87	39.84	43.82
BUNDABERG HOTEL (D)	15.93	15.93		15.93		15.93		15.93	15.93	
Casual			19.12		19.12		19.12			19.12
Difference per hour	- 0.01	- 0.01	- 0.80	- 7.97	- 4.78	- 11.96	- 8.77	- 15.93	- 23.90	- 24.70

AWARD LEVEL 5	17.03	17.03	21.29	25.55	25.55	29.81	29.81	34.07	42.58	46.84
BUNDABERG HOTEL (D)	15.93	15.93		15.93		15.93		15.93	15.93	
Casual			19.12		19.12		19.12			19.12
Difference per hour	- 2.10	- 2.10	- 2.17	- 9.62	- 6.43	- 13.98	10.69	18.14	26.65	27.72

¹⁶ Overtime rate – first two hours

¹⁷ Award rate for Saturday work

¹⁸ Award rate for Sunday work

¹⁹ Award rate for Sunday work

²⁰ Overtime rate – third and subsequent hours

²¹ Award rate for public holiday work

²² Award rate for public holiday work