

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION
LEGISLATION COMMITTEE**

**2005-2006 ADDITIONAL SENATE ESTIMATES HEARING
16 FEBRUARY 2006
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

QUESTIONS ON NOTICE

Outcome 2: Higher productivity, higher pay workplaces

Output Group 2.1: Workplace relations policy and analysis

Output 2.1.1: Workplace relations policy advice

Question Number: W718-06

Question:

Senator Wong asked in writing:

The discussion paper issued by the Award Review Taskforce on 20 December 2005 states that there are tens of thousands of wage classifications currently in awards (Rationalisation of award wage and classification structures, para 2.3) Of this data,

- a)** How many is 'tens of thousands' and how was it calculated?
- b)** How many of these 'tens of thousands' are actually different or vary from the 15 level metal industry structure?
- c)** How many different classification levels are there really (taking into account the alignment of relativities)?
- d)** How many different classifications apply in each workplace (not interested in mathematical averaging)?

Answer:

- a) The figure quoted in the discussion paper is an estimate based on the number of state and federal awards and an assumption about the average number of classification wages in awards. Many awards contain in excess of ten classification levels and associated wage levels. For example, the Metal, Engineering and Associated Industries Award 1998 contains fourteen classifications and over twenty different wage levels including apprentice and trainee rates of pay.
- b) The Award Review Taskforce Secretariat is currently undertaking research to determine the extent of variation in classification structures. Initial research suggests that there is considerable variation in classification structures and that the metal industry structure is rarely used as the model for classification structures in other industries.
- c) The research has not been completed, so it is not possible to respond at this stage.

- d) The Taskforce has commissioned an award relevance study which will, among other issues, examine the use of classifications and award wages in Australian workplaces. The study is yet to be completed.