

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

**2006-2007 BUDGET SENATE ESTIMATES HEARING
29TH AND 30TH MAY 2006
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

QUESTIONS ON NOTICE

Outcome: Corporate

Question Number: W177-07

Question:

Senator Wong asked in writing:

A series of questions relating to the DEWR AWA process were placed on notice in the last round of Additional Estimates, specifically questions W745-06 to 761-06.

The responses to these questions reveal that DEWR does not keep a record of:

- a) the number or type of AWAs that vary from the template
- b) the extent to which 'other negotiated benefits' are included in AWAs
- c) AWAs that provide for salaries above or below the salary bands
- d) management and staff time spent negotiating AWA contracts or variations, or performance assessments
- e) consultation about and changes to the PAS or AWA guidelines or handbooks.

The responses to these questions also reveal that DEWR does not provide:

- f) guidance for managers and staff on 'market factors' and 'parity within the workgroup', factors which according to the handbook must be considered in negotiating an appropriate salary
- g) guidelines concerning who is authorised to conduct AWA negotiations or performance assessments on behalf of the department
- h) training in AWA negotiating techniques for staff or management.

On this basis, how can DEWR accurately determine:

- i) where more flexible work practices are being achieved
- j) whether AWAs are increasing pay gaps between
 1. management and more junior staff
 2. male and female employees (full time, part time, casual, contract)
- k) the usefulness of the AWA template and whether amendments or updates are required
- l) the capacity of staff and managers to negotiate effective agreements
- m) staff and management awareness of changes to PAS and AWA guidelines and handbooks
- n) the administrative cost of employing staff under AWAs as opposed to the collective agreement, and
- o) quantifiable benefits to the AWA approach?

Answer:

- i) Flexible working arrangements are negotiated between individual employees and their managers. Managers monitor the use of flexible working arrangements including part time work, working from home, flex time and leave arrangements.
- j) All AWAs are approved by the Remuneration Subcommittee (RSC). The RSC ensures consistency between groups and monitors parity in the department when approving submissions. Salaries for employees on AWAs are negotiated on an individual basis in accordance with the AWA policies and AWA Handbook. All AWAs are negotiated on an individual basis and various factors are taken into consideration when determining remuneration for all employees, including: legal requirements, specialist skills, experience, performance of an employee, their responsibilities, operational requirements and market factors.
- k) AWA negotiations allow managers to have a direct relationship with their employees. As a result, managers have an understanding of their needs, and can suggest changes to the AWA template to allow flexibility for individual employees' circumstances. The department updates the AWA templates to ensure they are consistent with legislative and operational requirements.
- l) Staff are provided with guidance in the AWA Handbook to ensure they have the capacity to negotiate effective agreements.
- m) Staff are advised of changes to PAS and AWA guidelines through a variety of methods, including, but not limited to:
 - emails to managers
 - meetings eg. one on one, Branch, Group, Section, Team.
 - publication of guidance materials on the intranet
 - online presentation eg Orientation Video
 - intranet news articles
 - Managers Update Newsletter
 - HR Features - training sessions
 - Orientation Session for new starters every two weeks
- n) The administrative cost of employing staff under any agreement is not recorded.
- o) The quantifiable benefits of the AWA approach are not recorded.