

# Submission

to

Senate Employment, Workplace Relations and Education  
References Committee

## **Inquiry into Workplace Agreements**

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**Australian Government**  
**Employment Advocate**

12 August 2005

Mr John Carter  
Secretary  
Senate Employment, Workplace Relations and Education  
References Committee  
SG.52 Parliament House  
CANBERRA ACT 2600

Dear Mr Carter

*Re: Submission to Inquiry into workplace agreements*

I am pleased to enclose my submission to the Inquiry. The submission provides statistical and qualitative information about Australian workplace agreements (AWAs) and their contribution to positive workplace change in Australia.

Additionally, the submission outlines the key achievements of the Office of the Employment Advocate since its inception in 1997.

If you have any questions or require further information please do not hesitate to contact Mr Manuel Radic on (02) 9246 0594, fax (02) 9246 0536 or e-mail [manuel.radic@oea.gov.au](mailto:manuel.radic@oea.gov.au)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter McIlwain'.

PETER McILWAIN

**Employment Advocate**

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## Introduction

The position of Employment Advocate was established as one of a number of the Government's initiatives introduced under the *Workplace Relations Act 1996*. The Office of the Employment Advocate (OEA) which assists the Employment Advocate to carry out his functions, commenced operations in March 1997.

This submission has as its focus those functions of the OEA that relate primarily to the provision of advice to employers and employees in connection with Australian workplace agreements (AWAs) and those functions under Part VID of the *Workplace Relations Act 1996* concerning the filing and approval of AWAs.

Significantly, to the end of July 2005, over 725 000 AWAs have been approved. More noteworthy still, is the fact that in the last three years a total of 466 270 AWAs have been approved. This equates to 64 per cent of all AWAs approved since the OEA's inception in 1997.

Further highlighting the drive by employers and employees to make AWAs is that in the last three years AWA approvals have experienced an annual average growth rate of over 39 per cent; for small-medium business (those with up to 100 employees) the average annual growth rate is over 60 per cent.

This submission provides statistical and qualitative information about AWAs and their contribution to positive workplace change in Australia. The submission draws upon data collected by the OEA as part of its responsibilities to file and approve AWAs and from research conducted by and on behalf of the OEA. In addition, the submission illustrates, using the real life experiences of employers and employees in workplaces with AWAs, how positive outcomes are being delivered – the kinds of outcomes that meet the needs of both employers and employees.

Further, to support the making of AWAs a variety of information strategies have been developed and implemented by the OEA which aims to advise and assist both employers and employees in relation to not only rights and obligations under the *Workplace Relations Act 1996*, but also opportunities. The submission provides an outline of the various initiatives taken by the OEA in providing information and advice to employers and employees in relation to agreement making under Part VID of the *Workplace Relations Act 1996*.

The OEA has in the eight years since its inception made a strong commitment to client service and has played a positive role in improving Australian workplace through the promotion and administration of Australian workplace agreements. Record growth in AWA approvals over recent years, is in part, testimony to the efforts of the OEA in carrying out its functions under the *Workplace Relations Act 1996*.

# Background

## **Background and history of the Office of the Employment Advocate**

The statutory position of the Employment Advocate was established under section 83BA of the *Workplace Relations Act 1996* (the Act).

The OEA began operation on 12 March 1997, the day on which Parts IVA and VID of the *Workplace Relations Act 1996* were proclaimed.

## **Powers and functions of the Employment Advocate under the *Workplace Relations Act 1996***

The Act through section 83BB provides that the Employment Advocate has the following functions:

- (a) providing assistance and advice to employees about their rights and obligations under the Act;
- (b) providing assistance and advice to employers (especially employers in small business) about their rights and obligations under the Act;
- (c) providing advice to employers and employees, in connection with AWAs, about the relevant award and statutory entitlements and about the relevant provisions of the Act;
- (d) performing functions under Part VID, including functions relating to the filing and approval of AWAs and ancillary documents;
- (e) investigating alleged breaches of AWAs, alleged contraventions of Part VID and any other complaints relating to AWAs;
- (f) investigating contraventions of Part XA;
- (g) providing free legal representation to a party in a proceeding under Part VID or Part XA, if the Employment Advocate considers this would promote the enforcement of the provisions of those Parts;
- (h) providing aggregated statistical information to the Minister;
- (i) any other functions given to the Employment Advocate by this Act or any other Act;
- (j) any other functions prescribed by the regulations.

In performing his or her functions, the Employment Advocate must have particular regard to:

- (a) the needs of workers in a disadvantaged bargaining position (for example: women, people from a non-English speaking background, young people, apprentices, trainees and outworkers); and
- (b) assisting workers to balance work and family responsibilities; and
- (c) promoting better work and management practices through Australian workplace agreements.

## Office of the Employment Advocate

The Employment Advocate's employees are employed under the *Public Service Act 1999* and are made available to him by the Secretary of the Department of Employment and Workplace Relations (DEWR). The Employment Advocate's budget is allocated as part of DEWR budget appropriations. For this reason the DEWR Annual Report for 2003–04 includes information on OEA activities, in particular, financial management details.

### Staffing as at 30 June 2005

In addition to the Employment Advocate who is a Statutory Office Holder, 191 staff were engaged by the OEA as at 30 June 2005 on either an ongoing or non-ongoing basis under the *Public Service Act 1999*. The OEA engages all staff under an AWA.

**Table 1:** OEA staffing profile at 30 June 2005

Classification	Gender	NSW	VIC	QLD	WA	SA	TAS	NT	Total
SES band 1	F	1							1
	M	3							3
OEA Legal Manager 2	F								
	M	2	1						3
OEA Manager level 2	F	3	1			1			5
	M	4			1				5
OEA Manager level 1	F	7	2		1		2		12
	M	6	1	1		1			9
OEA level 6	F	9	4	4	1	3		1	22
	M	13	2	1	1	1	1		19
OEA level 5	F	7		2	5	2			16
	M	2	1			1			4
OEA level 4	F	15	1	6	1				23
	M	7	2	1			2		12
OEA level 3	F	17		1	1				19
	M	5							5
OEA level 2	F	15		4					19
	M	11		3					14
Total	F	74	8	17	9	6	2	1	117
	M	53	7	6	2	3	3	0	74
<b>Grand total</b>		<b>127</b>	<b>15</b>	<b>23</b>	<b>11</b>	<b>9</b>	<b>5</b>	<b>1</b>	<b>191</b>

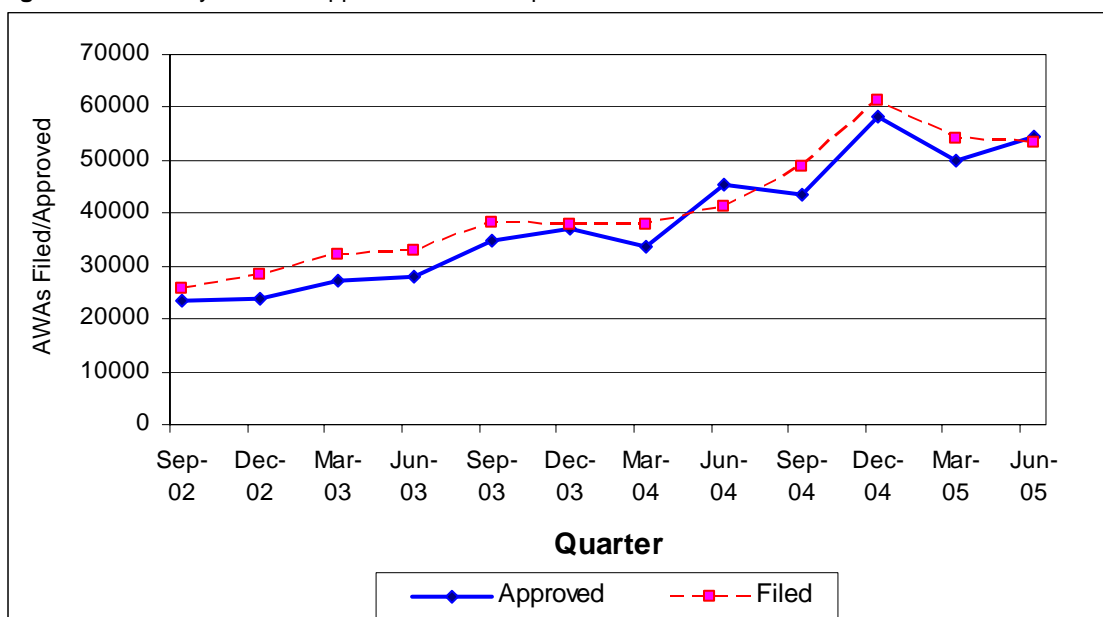
# AWA facts

## Trends and growth

Since the inception of the OEA in 1997 a total of 709 000 AWAs have been approved for over 13,700 employers.

In the year to 30 June 2005, 217 348 AWAs were filed and 205 865 AWAs were approved, both figures being a record number. These results represent considerable growth in AWAs over the previous financial year, with increases of 40 per cent in AWAs filed and 36 per cent in AWAs approved. Figure 1 illustrates this growth in AWAs filed and approved over the last three years.

Figure 1: Quarterly filed and approved AWAs: September 2002 – June 2005



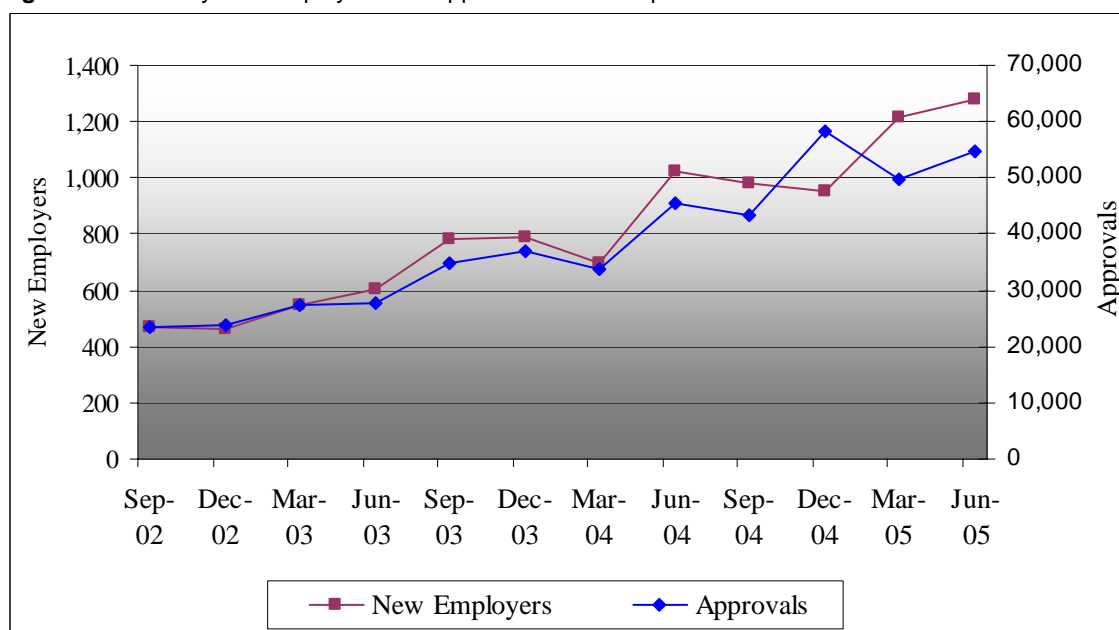
Source: OEA Workdesk Database

Notes: A filed agreement is simply an agreement which has been lodged with the OEA and met the filing requirements outlined in the Workplace Relations Act (1996). For an AWA to be operational, the agreement must be approved following an assessment that it passes the no disadvantage test and meets all the additional approval requirements.

Figure 2 shows that the growth in the number of AWAs approved in the 2004-05 financial year was accompanied by strong growth in the number of 'new employers' – viz those employers who had an AWA approved for the first time.

AWAs were approved for a record number of 4 435 'new' employers in the 2004-05 financial year, an increase of 35 per cent on the previous financial year.

**Figure 2:** Quarterly new employers and approved AWAs: September 2002 – June 2005



Source: OEA Workdesk Database

Table 2 shows that during 2004-05 the overwhelming majority of industries experienced marked growth in filed AWAs; eleven of seventeen industry sectors had growth of over 30 per cent on the previous 12 months. The largest increases were in the accommodation, cafes and restaurants industry and the communication services industry; 89 and 76 per cent higher respectively.

**Table 2:** AWAs filed by Industry: 2003-04 versus 2004-05

Industry	2003-04	2004-05	% diff.
Agriculture, forestry and fishing	2 568	2 877	12.1
Mining	9 986	13 557	35.8
Manufacturing	18 837	26 632	41.4
Electricity, gas and water supply	656	480	-26.8
Construction	9 568	10 097	5.5
Wholesale trade	2 859	3 979	39.2
Retail trade	27 420	36 197	32.0
Accommodation, cafes and restaurants	1 697	31 618	89.4
Transport and storage	4 832	6 320	30.8
Communication services	12 766	22 430	75.7
Finance and insurance	3 797	4 698	23.7
Property and business services	22 744	26 452	16.3
Government administration and defence	7 352	8 557	16.4
Education	811	1 270	56.5
Health and community services	7 132	11 030	54.7
Cultural and recreational services	3 029	4 772	57.6
Personal and other services	4 116	6 382	55.1
<b>Total</b>	<b>155 170</b>	<b>217 348</b>	<b>40.1</b>

Source: OEA WorkDesk Database



Table 3 shows that during 2004-05, other than in Tasmania, each state/territory experienced a growth in AWAs filed. Victoria saw a dramatic increase in filed AWAs over the previous 12 months, up a massive 128 per cent.

**Table 3:** Filed AWAs by state/territory: 2003-04 versus 2004-05

State/territory	2003-04	2004-05	% diff.
ACT	6 270	7 593	21.1
NSW	31 430	40 412	28.6
NT	2 313	2 563	10.8
QLD	19 806	28 884	45.8
SA	13 754	17 345	26.1
TAS	7 805	6 803	-12.8
VIC	22 964	52 506	128.6
WA	50 827	61 242	20.5
<b>Total</b>	<b>155 170</b>	<b>217 348</b>	<b>40.1</b>

Source: OEA WorkDesk Database

## AWA characteristics

This section contains a series of tables that show the distribution of approved AWAs by industry, state, business size and sector.

The first two columns of each table show the number and percentage distribution since the inception of the OEA to 30 June 2005. The last two columns in each table show the number and percentage distribution of approved AWAs for the three years to 30 June 2005.

### Distribution of approved AWAs by industry

Since the inception of the OEA, the take-up of AWAs has been highest in retail trade, manufacturing and property and business services. Over the previous three years, AWA approvals have remained highest in these industries while their relative share of total AWAs has also increased. Combined, these sectors account for over 42 per cent of all AWAs approved in the last three years.

Other industries which have increased their share of total AWA approvals in the previous three years compared to the period since 1997 include mining, construction, and accommodation cafes and restaurants. The reduced influence of government, administration and defence on AWA approvals is evidenced by the drop in the proportion of approved AWAs from that industry in the last three years compared to its share of approvals since the OEA's inception.

**Table 4:** Approved AWAs by industry

Industry	March 1997 to 30 June 2005	%	1 July 2002 to 30 June 2005	%
Agriculture, forestry and fishing	9 364	1.3	6 702	1.5
Mining	46 274	6.5	32 979	7.2
Manufacturing	83 469	11.8	57 744	12.6
Electricity, gas and water supply	5 968	0.8	1 348	0.3
Construction	32 997	4.7	26 315	5.7
Wholesale trade	12 969	1.8	7 945	1.7
Retail trade	106 234	15.0	77 069	16.8
Accommodation, cafes and restaurants	70 380	9.9	53 607	11.7
Transport and storage	26 722	3.8	14 175	3.1
Communication services	67 787	9.6	40 955	8.9
Finance and insurance	27 610	3.9	12 147	2.6
Property and business services	84 007	11.8	59 020	12.8
Government administration and defence	51 736	7.3	22 515	4.9
Education	5 080	0.7	2 582	0.6
Health and community services	33 435	4.7	21 708	4.7
Cultural and recreational services	21 644	3.1	10 039	2.2
Personal and other services	23 742	3.3	12 542	2.7
<b>Total</b>	<b>709 417</b>	<b>100.0</b>	<b>459 393</b>	<b>100.0</b>

Source: OEA WorkDesk Database

**Distribution of approved AWAs by state/territory**

Since the commencement of the OEA, the largest share of AWA approvals has been from Western Australia and New South Wales (25.1 per cent and 22.2 per cent of approvals respectively). In the past three years this profile has shifted slightly, with dramatic growth in AWAs from Western Australia. More than 146 000 AWAs from Western Australia have been approved over the past three years, increasing Western Australia's share of the AWA population to nearly 32 per cent.

In the past three years about one fifth of approved AWAs came from NSW, whilst over 17 per cent originated from Victoria. Whilst both states had a lower proportion of AWAs in the previous three years compared to the period since the inception of the OEA, this is largely due to the strong growth in AWAs from Western Australia.

**Table 5:** Approved AWAs by state/territory

State	March 1997 to 30 June 2005	%	1 July 2002 to 30 June 2005	%
ACT	33 437	4.7	19 891	4.3
NSW	157 812	22.2	90 182	19.6
NT	11 949	1.7	6 478	1.4
QLD	87 585	12.3	57 955	12.6
SA	62 027	8.7	39 841	8.7
TAS	23 588	3.3	17 476	3.8
VIC	154 949	21.8	80 864	17.6
WA	178 069	25.1	146 706	31.9
<b>Total</b>	<b>709 417</b>	<b>100.0</b>	<b>459 393</b>	<b>100.0</b>

Source: OEA WorkDesk Database

### Distribution of approved AWAs by business size

Since the inception of the OEA, the largest proportion of approved AWAs have been for employees working in enterprises with 500 or more employees. Large organisations, those with more than 100 employees, accounted for just over two-thirds of approvals since 1997. However, there is evidence that this pattern has shifted in the previous three years with small to medium businesses making increased use of AWAs. In the past three years 37.5 per cent of all AWAs approved were from businesses with less than 100 employees; this compares with the 32.5 per cent approved since the inception of the OEA.

**Table 6:** Approved AWAs by business size

<b>Business size</b>	<b>March 1997 to 30 June 2005</b>	<b>%</b>	<b>1 July 2002 to 30 June 2005</b>	<b>%</b>
Less than 20 employees	68322	9.6	53107	11.6
Between 20 - 99 employees	162367	22.9	118942	25.9
Between 100 - 499 employees	211265	29.8	129600	28.2
More than 500 employees	267463	37.7	157744	34.3
<b>Total</b>	<b>709417</b>	<b>100.0</b>	<b>459393</b>	<b>100.0</b>

Source: OEA WorkDesk Database

### Distribution of approved AWAs by sector

The large majority of AWAs approved since the commencement of the OEA have been for employees working in the private sector. Only 13 per cent of approved AWAs have come from the public sector since the OEA's inception. The proportion of AWAs from the public sector has declined markedly in the last three years with over 90 per cent of all approved AWAs being for employees in the private sector.

**Table 7:** Approved AWAs by sector

<b>Sector</b>	<b>March 1997 to 30 June 2005</b>	<b>%</b>	<b>1 July 2002 to 30 June 2005</b>	<b>%</b>
Public	92 206	13.0	42 626	9.3
Private	617 211	87.0	416 767	90.7
<b>Total</b>	<b>709 417</b>	<b>100.0</b>	<b>459 393</b>	<b>100.0</b>

Source: OEA WorkDesk Database

### Operative AWAs

It is not possible to say exactly how many employees work on AWAs at any given time. This situation is no different from that which applies to other industrial instruments.

However, most AWAs either do not stipulate a Nominal Expiry Date (NED) – in which case the statutory maximum of three years applies (s170VH) – or they stipulate an NED of three years. For this reason the OEA has decided to adopt the statistical proxy of AWAs approved in the last three years to estimate the number of operative AWAs.

As at 30 June 2005, the OEA estimates that there were approximately 459 393 AWAs in operation. This estimate is based on the total number of AWAs approved in the previous three years.

## **Comparison of federally registered agreements by industry**

The table below compares the employee coverage by the different types of registered agreements currently available in the federal jurisdiction. Union certified agreements are collective agreements made between an employer, their employees and one or more employee association (LJ, LL and LN agreements). These types of agreement cover just over 1.4 million employees.

Non-union certified agreements (LK agreements) and AWAs are the two types of agreements made directly with employees, although LK agreements are collective agreements while AWAs are individual agreements. AWAs approved in the previous three years now cover nearly 460 000 employees while LK agreements cover just over 167 000 employees.

AWA coverage is greatest in the accommodation, cafes and restaurants industry where it is estimated that 76 per cent of workers covered by a federally registered agreements are on AWAs. Mining (60 per cent) and property and business services (58 per cent) also have significant AWA coverage of workers.

Union certified agreements are most prominent in the retail trade, government administration and defence, education and manufacturing industries. LK agreements are most common in the manufacturing, retail trade and finance and insurance industries.

It should be noted that the number of employees covered by the different types of agreements quoted below are estimates only and that the time periods upon which the comparisons are made are slightly different (see notes).

**Table 8:** Federally registered agreements by industry

Industry	Union certified agreements (LJ, LL and LN)	Non-union certified agreements (LK)	AWAs approved in the last three years	AWAs as a proportion of all federally registered agreements (employee coverage)
Agriculture, forestry and fishing	4 000	2 500	6 700	51%
Mining	17 700	4 000	33 000	60%
Manufacturing	169 600	24 500	57 700	23%
Electricity, gas and water supply	15 800	200	1 300	8%
Construction	92 500	7 900	26 300	21%
Wholesale trade	3 900	1 200	7 900	61%
Retail trade	307 000	22 400	77 100	19%
Accommodation, cafes and restaurants	8 700	7 900	53 600	76%
Transport and storage	78 800	6 100	14 200	14%
Communication services	68 500	10 800	41 000	34%
Finance and insurance	60 500	19 500	12 100	13%
Property and business services	27 100	15 600	59 000	58%
Government administration and defence	226 100	16 800	22 500	8%
Education	196 800	4 100	2 600	1%
Health and community services	135 800	13 000	21 700	13%
Cultural and recreational services	28 700	4 900	10 000	23%
Personal and other services	14 600	6 100	12 500	38%
<b>All industries</b>	<b>1 456 100</b>	<b>167 500</b>	<b>459 200</b>	<b>22%</b>

Notes:

Certified Agreement numbers are sourced from unpublished Trends in Federal Enterprise Bargaining data and refer to employees covered. Agreements are current as at 31 March 2005.

The AWA data is sourced from the OEA in-house workflow system WorkDesk and includes AWAs approved in the past three years to 30 June 2005. This methodology is based on the most common nominal expiry date for AWAs.

## Industry penetration

Table 9 shows the estimated penetration of AWAs in each state or territory by industry to June 2005. AWA penetration is determined by calculating the number of AWAs approved by industry for each state or territory over the past three years as a proportion of the total working population (employees only). For each state or territory, the industry with the highest proportion of AWAs in the workforce is highlighted.

Overall, it is estimated that 5.4 per cent of the Australian working population are covered by AWAs. In Queensland, South Australia and Western Australia the AWA penetration is highest in the mining industry. In New South Wales, Victoria, and Tasmania the Communications services industry holds the number one spot for AWA penetration. In the Australian Capital Territory, government administration and defence has the highest AWA penetration, while in the Northern Territory it is accommodation, cafes and restaurants.

**Table 9:** Industry penetration by state, June quarter 2005

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	National
Agriculture, forestry and fishing	3.9%	2.6%	3.4%	2.6%	4.0%	8.8%	11.0%	n/a	3.7%
Mining	11.8%	21.0%	19.5%	31.1%	52.6%	30.9%	21.3%	n/a	32.5%
Manufacturing	3.6%	2.9%	5.4%	7.1%	24.4%	4.6%	12.2%	2.7%	5.8%
Electricity, gas and water supply	0.5%	1.5%	1.5%	3.0%	5.1%	0.2%	3.3%	2.0%	1.8%
Construction	1.8%	0.4%	2.7%	4.3%	27.5%	6.9%	11.6%	2.3%	4.7%
Wholesale trade	1.5%	1.3%	1.5%	1.9%	5.8%	5.1%	4.0%	0.9%	2.0%
Retail trade	4.0%	4.6%	2.3%	8.3%	20.2%	10.8%	5.9%	4.1%	5.9%
Accommodation, cafes and restaurants	6.6%	14.8%	2.9%	14.4%	38.3%	18.7%	58.5%	8.1%	11.7%
Transport and storage	1.7%	1.3%	3.7%	8.4%	12.4%	7.6%	10.4%	4.0%	3.6%
Communication services	27.1%	24.5%	17.6%	15.7%	29.2%	41.8%	21.0%	32.2%	24.5%
Finance and insurance	4.8%	1.5%	1.9%	1.7%	6.8%	3.5%	1.4%	3.8%	3.4%
Property and business services	2.3%	3.2%	6.7%	12.2%	22.4%	25.3%	5.8%	4.3%	6.4%
Government administration and defence	1.4%	2.2%	0.8%	1.9%	4.1%	2.8%	1.5%	33.3%	4.9%
Education	0.2%	0.7%	0.2%	0.5%	0.4%	0.8%	0.8%	0.4%	0.4%
Health and community services	1.2%	2.1%	2.4%	2.0%	5.5%	7.3%	1.5%	3.5%	2.4%
Cultural and recreational services	3.2%	3.0%	3.5%	13.1%	11.0%	8.7%	1.3%	5.3%	4.6%
Personal and other services	2.0%	5.2%	3.0%	2.9%	7.1%	6.5%	2.9%	5.3%	3.8%
<b>Total</b>	<b>3.3%</b>	<b>3.7%</b>	<b>3.5%</b>	<b>6.4%</b>	<b>17.2%</b>	<b>9.3%</b>	<b>7.5%</b>	<b>12.2%</b>	<b>5.4%</b>

Source: ABS SuperTables March 2005, OEA WorkDesk Database

Notes: The ACT Mining and Agriculture, Forestry and Fishing industries had a total working population less than 500 employees. These industries were not appropriate for analysis due to small numbers.

## AWAs in the Australian Public Service

According to the latest AWA survey by the Department of Employment and Workplace Relations, as at 31 March 2005 there were approximately 11 423 Australian Public Service (APS) and Parliamentary Service employees covered by AWAs.

Approximately 8.7 per cent of all APS employees are on AWAs. 1 926 or 16.9 per cent of APS AWAs were for Senior Executive Service (SES) employees and 9 497 were for non-SES employees (83.1 per cent).

## AWA content

In order to analyse the content of AWAs the OEA supplied the Australian Centre for Industrial Relations Research and Training (ACIRRT) at the University of Sydney with 500 agreements approved during the 2002-03 period. These AWAs were randomly selected: 250 from AWAs approved in 2002 and 250 from AWAs approved in 2003. ACIRRT coded the contents of these AWAs into its Online Awards and Agreements database from which relevant data were then extracted.

It was initially intended that this sample would be proportional to industry distribution at the Australian and New Zealand Standard Industry Classification (ANZSIC) division level. However, due to coding difficulties, a number of the original sample of AWAs was replaced. This resulted in minor variations to the sample industry distribution, but was unlikely to significantly affect the findings.

## Sample characteristics

Table 10 illustrates the degree to which the distribution of the sample varies from AWAs approved during 2002-03 by industry.

**Table 10:** Proportion of AWA approvals by industry, 2002-03

Industry	Sample (%)	Overall (%)
Agriculture, forestry and fishing	1	2
Mining	8	8
Manufacturing	12	13
Electricity, gas and water supply	1	<1
Construction	6	6
Wholesale trade	2	2
Retail trade	18	17
Accommodation, cafes and restaurants	4	8
Transport and storage	2	3
Communication	7	8
Finance and insurance	5	4
Property and business services	16	13
Government administration and defence	8	6
Education	<1	<1
Health and community services	4	4
Cultural and recreational services	4	3
Personal and other services	3	2
<b>Total</b>	<b>100</b>	<b>100</b>

Source: OEA, WorkDesk Database Australian Workplace Agreements Management System.

The demographic characteristics of employees in the final sample of 500 AWAs was similar to those of employees in the overall AWA population in 2002 and 2003. The proportion of male employees in the sample population was 60 per cent, the same as the proportion of male employees in the overall AWA population.

Sixteen per cent of AWAs in the sample were for employees under the age of 21. This compares to 15 per cent of employees in the overall AWA population.

The proportion of casual workers in the sample (20 per cent) was slightly less than the proportion of casual workers in the overall AWA population (25 per cent).

The proportion of part-time workers (less than 35 hours per week) in the sample was 12 per cent.

Ten per cent of AWAs in the sample were from the public sector, compared with 11 per cent in the overall AWA population.

The proportion of approved AWAs in each state/territory was relatively close in the sample and the overall AWA population. Table 11 shows these proportions across the two populations.

**Table 11:** Proportion of AWA approvals by state/territory, 2002-03

State	Sample (%)	Overall (%)
Australian Capital Territory	5	5
New South Wales	26	22
Northern Territory	2	2
Queensland	12	12
South Australia	7	10
Tasmania	2	4
Victoria	14	14
Western Australia	32	31
<b>Total</b>	<b>100</b>	<b>100</b>

Source: OEA, WorkDesk Database and Australian Workplace Agreements Management System.

There were small differences between the sample and overall AWA population when comparing the size of the organisation to which an AWA employee belongs. These are shown in Table 12.

**Table 12:** Proportion of AWA approvals by employer size, 2002-03

Business size	Sample (%)	Overall (%)
Fewer than 20 employees	10	10
Between 20 - 99 employees	21	22
Between 100 - 499 employees	27	30
More than 500	42	38
<b>Total</b>	<b>100</b>	<b>100</b>

Source: OEA, WorkDesk Database and Australian Workplace Agreements Management System.

## Wages and remuneration

Specific provision for wage increases was made in 38 per cent of AWAs coded. Increases were provided as either fixed percentage increases, or were linked to changes in the Consumer Price Index (CPI), safety net adjustments, or performance.

In some cases a combination of factors determined whether a wage increase would apply and the quantum of any such increase.

A fixed percentage increase was provided in 19 per cent of AWAs coded. Wage increases were linked to performance in 12 per cent of AWAs. Changes in the CPI (6 per cent) and safety net adjustments (9 per cent) were a factor in a smaller proportion of AWAs.

The absence of any such wage increase provision should not be used to infer that wage increases were not paid to these employees. The OEA Employee Attitude Survey 2001 found that 66 per cent of AWA employees had received a pay rise in the 12 months preceding the survey date, a similar percentage to employees not covered by AWAs.



While performance was a factor in determining wage increases in 12 per cent of AWAs, wage increases were provided solely on the basis of performance in 9 per cent of AWAs coded.

Where performance was a criterion for a wage increase, 70 per cent of AWAs relied solely on the performance of the individual employee to make a determination. In 22 per cent of cases both individual and organisational level performance was taken into account.

Aside from performance-linked wage increases, 31 per cent of AWAs made provision for bonus and incentive payments.

Table 13 shows that while a relatively small proportion (3 per cent) of AWAs made reference to piece rates and commissions, a further 28 per cent of AWAs utilised some form of performance bonus arrangement.

These arrangements could include standardised individual and/or group performance bonuses, profit sharing and gain sharing as well as other discretionary bonuses and payments.

**Table 13:** Incidence of performance pay provisions in AWAs, 2002-03

Provision	% of AWAs
Piecework and commissions	3
Individual/group performance bonus	13
Profit sharing	2
Gain sharing	3
Other bonuses & payments	10
<b>Total</b>	<b>31</b>

Some AWAs include one or more of these bonus/incentive payments.

Source: Online Award & Agreements Database, ACIRRT.

In 41 per cent of AWAs coded, one or more loadings such as penalty rates, shift allowances, overtime and leave loading were absorbed into the rate of pay. Table 14 illustrates the areas in which AWAs provide for absorption of loadings.

**Table 14:** Incidence of absorption of loadings provisions in AWAs, 2002-03

Payment type	Payment is absorbed (%)	Payment is not absorbed (%)	No provision on this type of payment (%)
Penalty rates	54	44	2
Shift rates	18	82	-
Overtime	25	72	3
Allowances	41	56	3
Annual leave	34	63	4
Annual leave loading	41	57	1
Sick leave	28	68	4
Rostered days off	2	93	4
Other payments <sup>^</sup>	32	65	4

<sup>^</sup> Other payments include redundancy, retrenchment, severance, bereavement leave and long service leave payments.

Source: Online Award & Agreements Database, ACIRRT.

## Employee benefits

Aside from wages and remuneration and other statutory benefits such as superannuation, 37 per cent of AWAs made express provision for at least one other employee benefit. Benefits in AWAs were distributed as shown in Table 15.

**Table 15:** Incidence of employee benefits provisions in AWAs, 2002-03

Provision	% of AWAs
Salary packaging	12
Salary sacrifice	31
Employee share scheme	3
Discount on company products	15
Private use of company vehicle	9
Medical insurance	5
Income protection insurance	6
Employee accident insurance	3
Employee tuition fees	1
Provision of meals	33
Employer's non-statutory contribution to superannuation	3
Other employee benefits <sup>^</sup>	20

<sup>^</sup> Other employee benefits include accident make-up pay, rental subsidies, flu vaccinations, car parking, transfer/relocation assistance.

Source: Online Award & Agreements Database, ACIRRT.

## Hours of work and flexible work organisation

Eighty-two per cent of AWAs contained one or more hours provisions. Provisions relating to ordinary work days (44 per cent of AWAs), ordinary weekly hours (36 per cent), span of hours (33 per cent) and variations to working hours (33 per cent) were most common.

The incidence of various hours provisions contained in AWAs is shown in Table 16.

**Table 16:** Incidence of hours of work provisions in AWAs, 2002-03

Provision	% of AWAs
Ordinary weekly hours	36
Span of hours	33
Limit on hours worked	15
Ordinary work days	44
Variation to working hours	33
Averaging of working hours	26
Shift types and hours	10

Source: Online Award & Agreements Database, ACIRRT.

In 96 per cent of AWAs with an ordinary weekly hours provision, ordinary weekly hours were specified as 40 hours or less. Forty-nine per cent of all AWAs specified ordinary hours to be 38 per week. Eighty-four per cent of AWAs provided for ordinary weekly hours between 35 and 40 hours.

A span of hours provision was included in 33 per cent of AWAs. A 12 hour daily span was specified in 26 per cent of AWAs coded, although spans of hours ranged from 2.5 to 24 hours per day.

**Table 17:** Daily span of hours in AWAs, 2002-03

Daily span	% of AWAs
Less than 8 hours	1
8 - 10 hours	21
10.5 - 12 hours	34
12.5 - 15 hours	20
16 or more hours	24

Source: Online Award & Agreements Database, ACIRRT.

The span of hours provisions in AWAs varied considerably across industries, reflecting the degree to which AWAs can be tailored to suit business types and conditions. For example, 42 per cent of manufacturing industry AWAs specified a daily span of between 8 and 10 hours. In the retail trade industry, 46 per cent of AWAs contained a span greater than 12 hours.

The property and business services sector provided the greatest diversity of daily span of hours, ranging from 8 to 24 hours. Conversely, construction industry AWAs provided a 12 hour daily span of hours in 50 per cent of cases.

Fifteen per cent of AWAs coded limited daily hours worked. Of these, 56 per cent set the maximum allowable number of hours worked per day at 12 hours. Only 4 per cent of AWAs set a limit of more than 12 hours per day.

Twenty-six per cent of AWAs contained provisions covering averaging of working hours. The majority (76 per cent) averaged hours over a 1-4 week period, while 15 per cent averaged over 52 weeks.

Work organisation and flexibility provisions promoted the flexible deployment of staff in the workplace and included provisions such as teamwork, multi-tasking and multi-skilling, and the ability to move employees between sections/sites.

The most common of the provisions identified in the AWA sample allowed an employer to direct an employee to carry out duties as required. Other work organisation and flexibility provisions in AWAs are shown in Table 18.

**Table 18:** Incidence of flexible work organisation provisions in AWAs, 2002-03

Provision	% of AWAs
Team based work organisation	3
Task flexibility/multi-skilled employees	9
Removal of demarcation barriers	<1
Employer may direct employees to carry out duties as required	38
Temporary movement of staff to other section/sites	11
Staggered meal breaks/continuous production	1
Performance of reasonable overtime	8

Source: Online Award & Agreements Database, ACIRRT.

## Leave provisions

Seventy-four per cent of AWAs coded contained leave provisions. Where there were no provisions relating to annual leave or long service leave, state legislation providing leave would apply.

Annual leave provisions were present in 59 per cent of AWAs coded. Another 3 per cent referred to relevant provisions in an award.

Employees were provided the option of cashing out annual leave in 17 per cent of AWAs coded.

In 22 per cent of AWAs with annual leave provisions, annual leave did not have to be taken in one single block. Other AWA provisions relating to annual leave are detailed in Table 19.

**Table 19:** Incidence of annual leave provisions in AWAs, 2002-03

Provision	% of AWAs
Option to pay out annual leave during employment	17
Annual leave must be taken	5
Employer may determine when annual leave is taken	17
Additional pay/leave if public holiday falls during annual leave	5

Source: Online Award & Agreements Database, ACIRRT.

### **Example clause: Cashing out annual leave credits**

*The employee may, with the agreement of the employer, request the cashing out of up to two weeks of their annual leave, provided that the employee maintains a balance of two (2) weeks that must be taken as leave. Upon electing to cash out annual leave credits, the employees will be given the option of either payment in cash or to be paid into the employees Superannuation Fund as an employer contribution.*

The majority of AWAs with sick leave provisions (61 per cent) provided a sick leave entitlement of 10 days per annum. A minimum entitlement of five days per annum was found in 4 per cent of AWAs, while in 5 per cent of AWAs more than 10 days sick leave was available.

Accrual of sick leave from year to year was provided for in 48 per cent of AWAs coded. One in five of these AWAs provided for payment of unused sick leave, whether during employment or upon termination/resignation.

### **Example clause: Paying out accrued sick leave**

*Once per year prior to any shutdown (or at a specified date) the Employer may by agreement with any Employee, pay the equivalent of up to 76 hours (pay in lieu of payment for absence through illness) provided Employees maintain a balance of at least 76 sick leave hours.*

Forty-two per cent of AWAs expressly provided long service leave entitlements. Eighty per cent of these provided entitlements equivalent to statutory obligations or a relevant award. A further 21 per cent of AWAs simply referred to an award or other document in relation to long service leave entitlements.

Five per cent of AWAs made provision for cashing out long service leave.

Additional leave provisions found in AWAs are listed in Table 20. The majority of these leave provisions were available as paid leave.

**Table 20:** Incidence of other leave provisions in AWAs, 2002-03

Provision	% of AWAs	Percentage paid
Cultural/ceremonial/religious leave	1	80
Community service leave	2	75
Study/exam leave	3	82
Other paid/unpaid leave	24	n/a

Source: Online Award & Agreements Database, ACIRRT.

## Family-friendly provisions

Family-friendly provisions have been grouped as belonging to one of either ‘family-friendly leave’ or ‘family-friendly flexible work arrangements’.

It is important to note that many family-friendly initiatives can be delivered through organisational policies and practices.

Over 70 per cent of all AWAs contained at least one provision relating to either family-friendly leave or family-friendly flexible work arrangements. Of these agreements, more than half had three or more such provisions.

Table 21 shows that AWAs with at least one family-friendly provision were more likely for employees from large organisations.

**Table 21:** Incidence of family-friendly provisions in AWAs by employer size, 2002-03

Business size	Topic is not covered/ no provision/ not stated/ unclear (%)	Topic is covered: at least one provision (%)	Proportion of AWAs with one provision having two or more provisions (%)
Fewer than 20 employees	32	68	50
Between 20 - 99 employees	35	65	55
Between 100 - 499 employees	24	76	61
More than 500	24	76	72

Source: Online Award & Agreements Database, ACIRRT.

Slightly more than half of public sector employees (52 per cent) had family-friendly provisions in their AWAs compared with almost three-quarters of private sector employees (73 per cent).

Of those AWAs including at least one family-friendly provision, private sector AWAs were almost twice as likely as public sector AWAs to have two or more such provisions (64 per cent compared with 34 per cent).

The absence of family-friendly provisions in public sector AWAs may be explained, at least in part, by the provision of maternity leave to Commonwealth public servants under the *Maternity Leave (Commonwealth Employees) Act 1973*. It is not necessary to include maternity leave provisions in AWAs for employees already covered by this legislation for them to have access to maternity leave.

Table 22 shows the incidence of family-friendly leave provisions. Overall, 59 per cent of all AWAs contained at least one such provision, and 56 per cent contained two or more such provisions.

**Table 22:** Incidence of family-friendly leave provisions in AWAs, 2002-03

Provisions	% of AWAs
Bereavement leave	49
- paid bereavement leave	47
Family or carer's leave	25
- paid family or carer's leave	24
Sick leave can be taken as family/carer's leave	17
Parental leave	24
Paid maternity leave	8
Paid paternity leave	5
Paid adoption leave	4
Option for additional maternity leave	1
Additional maternity leave paid at reduced rate	1
Purchased leave scheme	4

Source: Online Award & Agreements Database, ACIRRT.

Bereavement leave and paid bereavement leave were by far the most common family-friendly provisions and were included in almost half of all the AWAs in the database.

Close to one quarter of the sample AWAs included provisions which provided for family or carer's leave entitlements. Around one in six AWAs allowed sick leave to be used as carer's leave.

**Example clause: Carer's leave**

*a) You are able to use up to five days sick leave each year as carer's leave. Carer's leave is for the care of any member of your family or household who is sick or injured, and in need of immediate care and attention.*  
*b) You will be required to provide the Employer with reasonable evidence of your need for carer's leave, similar to that required for sick leave. Carer's leave is not cumulative.*

Nearly one in four AWAs made specific provision for parental leave. Another 23 per cent of AWAs referred to an award or other legislation in defining entitlement to parental leave.

It should be noted that employees are entitled to parental leave in accordance with the Act, whether or not this is referred to in an AWA.

Maternity leave provisions appear in 11 per cent of AWAs. A total of 8 per cent of AWAs provide paid maternity leave.

**Example clause: Maternity leave and bonus payment**

*If you are eligible for parental leave and become pregnant, you shall be entitled to a leave of absence for a period not exceeding 52 weeks. The first six weeks following the commencement of maternity leave will be paid, with the remaining period of leave being unpaid. Payment is based on your average base salary for the three months immediately prior to commencement of maternity leave.*  
*If you subsequently return to work and complete six months of service to our company's satisfaction you will be eligible to receive a bonus equivalent to a further six weeks of salary. Payment is based on your average base salary for the three months prior to maternity leave. (Full details regarding the conditions of maternity leave are located on the Intranet).*

Provisions for paternity leave appeared in 7 per cent of AWAs. Five per cent of AWAs contained paid paternity leave provisions.

Adoption leave entitlements were contained in 6 per cent of AWAs, with 4 per cent of AWAs providing paid adoption leave.

Flexibility provisions that focus upon employee interests can also help contribute to the 'family-friendliness' of a workplace. Overall, 34 per cent of AWAs provided at least one provision promoting flexible work arrangements, with 10 per cent providing two or more such provisions.

The most common flexibility provision found in the sample of AWAs was for time off in lieu of payment for overtime. Almost 20 per cent of the AWAs included such a provision.

**Example clause: Time off in lieu of overtime**

*Any work outside the ordinary hours of work is overtime. Where the employee volunteers to work overtime it will be paid at the normal hourly rate of pay. An employee may elect to take time off in lieu of payment of overtime. Time taken will be an hour taken for every hour worked.*

*Where the employer directs the employee to work overtime it will be paid at 1.5 times the normal hourly rate of pay. An employee may elect to take time off in lieu of payment of overtime. Time taken will be at the penalty time – that is for every hour worked one hour and half shall be taken.*

Part-time work arrangements were specified in 11 per cent of AWAs.

**Example clause: Part-time employment**

*(a) Part-time employees will be advised of their core hours on employment.*

*(i) These core hours will be between a minimum of 24 hours and up to a maximum 148 hours per four week cycle.*

*(ii) If a part-time employee works hours in excess of their core hours they shall be paid a loading of 115% for each hour unless or until the Overtime clause comes into operation. Annual Leave and Sick Leave will not accrue on any hours were the 115% loading is paid.*

*(iii) Where necessary [the employer] retain the right to reduce a part-time employees core hours:*

*· by up to 20% per year; or*

*· in line with the Termination, Change & Redundancy provision; or*

*· if the employee requests to the change and [the employer] agree to the request (such agreement may involve a trial operation period); or*

*· if the employee agrees to the change.*

## **Training provisions in AWAs**

Training provisions provide the opportunity for an employee to increase their on-the-job skills, to gain a job-related qualification, or to increase their general level of education. In addition, these provisions might deal with an employee's career and personal development.

As with family-friendly initiatives, arrangements that facilitate employee training and development are often found in human resources guidelines or organisational policies and practices, rather than in industrial agreements such as AWAs.

Employee training was referred to in 34 per cent of AWAs in the sample. Of those AWAs that included at least one training provision, 43 per cent contained two or more such provisions.

Training provisions in AWAs included generalised statements supporting employee training as well as specific provisions outlining the conditions under which training is to be undertaken.

**Example clause: Training provisions**

*The Member Centres will conduct initial employment training and refresher training on a one-to-one basis or in a classroom environment. Training will be conducted within the 38 hour working week or as overtime according to the operational needs of the business. Any training completed as directed overtime shall be paid in accordance with Clause 8 (Overtime).*

*It has been agreed that training will make up 5% per annum of hours worked which equals approximately 1.5 days per month. Such training will include but will not be limited to internal procedures (training in new procedures, products and systems), communication (verbal & written), and customer service (service & sales, courtesy, sales and dispute handling), call coaching and career development modules.*

*It is agreed that our company can expect employees to pre-read training material given a minimum of five (5) days prior notice. Material provided will be of reasonable length. Reasonable length is assessed at being 30 minutes reading time. Should employees be required by our company to perform any reading that is longer than a reasonable length, this will be paid at ordinary rates for a period agreed prior to the commencement of required reading which will be confirmed in writing by our company.*

Nearly one in five of all AWAs included financial support for employee training. Six per cent of AWAs included a workplace training program.

Table 23 shows that employer size has a bearing on the incidence of training provisions in AWAs. Training provisions were more likely to be found in the AWAs of employees working in larger organisations. Nearly half of all AWAs in organisations of between 100 and 499 employees had at least one training provision.

**Table 23:** Incidence of training provisions in AWAs by employer size, 2002-03

<b>Business size</b>	<b>No provision (%)</b>	<b>At least one provision (%)</b>
Fewer than 20 employees	77	23
Between 20 - 99 employees	74	26
Between 100 - 499 employees	54	46
More than 500	60	40

Source: Online Award & Agreements Database, ACIRRT.

## **The impact of AWAs on designated groups**

This section reports conditions for designated group employees covered by AWAs.

### **Women**

Table 24 shows that 21 per cent of female AWA employees were aged under 21 years, compared with 12 per cent of male AWA employees.

Female AWA employees were also more likely than male employees to be casual or part-time workers. Similar proportions of men and women were employed under AWAs as apprentices or trainees. Women on AWAs were slightly more likely than men to be employed in the public sector.



**Table 24:** Characteristics of employees on AWAs by gender, 2002-03

Characteristic	Female (%)	Male (%)
Under 21 years	21	12
Casual status	26	20
Part-time status	18	11
Apprentice/trainee	6	6
Public sector	11	10

Source: Online Award & Agreements Database, ACIRRT.

Table 25 shows that female AWA employees were more likely than male AWA employees to be employed in organisations with fewer than 20 workers, but less likely to be employed in organisations with 20 to 499 workers. Similar proportions of males and females on AWAs were found to be employed in organisations with over 500 employees.

**Table 25:** Proportion of AWAs by gender and employer size, 2002-03

Business size	Female (%)	Male (%)
Fewer than 20 employees	16	6
Between 20 - 99 employees	19	22
Between 100 - 499 employees	23	30
More than 500	42	42

Source: Online Award & Agreements Database, ACIRRT.

Of AWAs in the database, women's AWAs were more likely to include 'flexible' provisions than men's AWAs. Provisions more likely to be found in women's AWAs included family-friendly flexibility provisions, span of hours provisions and averaging of working hours provisions. Table 26 details some provisions found in AWAs by gender.

**Table 26:** Incidence of provisions in AWAs by gender, 2002-03

Provision	Female (%)	Male (%)
Training provision	31	37
Family-friendly leave provision	52	66
Annual leave entitlement	51	62
Sick leave entitlement	46	59
Long service leave entitlement	33	48
Family-friendly flexibility provision	41	31
Span of hours provision	35	31
Averaging of working hours	30	23
Performance bonus	22	26
Absorption of 'extra' payments	42	41

Source: Online Award & Agreements Database, ACIRRT.

### Part-time employees

Part-time employees are defined as those employees working less than 35 hours a week.

Table 27 details some characteristics of part-time employees. One in four part-time employees on AWAs was engaged on a casual basis. This compared with one in eight employees working at least 35 hours per week.

AWAs appeared to be facilitating part-time employment arrangements for apprentices and trainees. Table 27 shows that 14 per cent of employees on AWAs working part-time were employed as apprentices/trainees. This compared with 10 per cent of persons working full-time who were employed as apprentices/trainees.

**Table 27:** Characteristics of AWA employees by part-time status, 2002-03

<b>Characteristics</b>	<b>Part-time employees (%)</b>	<b>Other employees (%)</b>
Casual	25	12
Apprentice/trainee	14	10
Public sector	8	10

Source: Online Award & Agreements Database, ACIRRT.

Table 28 shows that one third of all part-time employees were employed in organisations with between 20 and 99 employees, and nearly two in five were employed in the largest organisations.

**Table 28:** Proportion of AWAs by part-time status and employer size, 2002-03

<b>Business size</b>	<b>Part-time employees (%)</b>	<b>Other employees (%)</b>
Fewer than 20 employees	<1	7
Between 20 - 99 employees	33	20
Between 100 - 499 employees	28	28
More than 500 employees	39	45

Source: Online Award & Agreements Database, ACIRRT.

As shown in Table 29, part-time employees were less likely than other employees to have a training provision or an apprentice or trainee-related provision in their AWAs.

Part-time AWA employees were more likely than full-time AWA employees to be covered by family-friendly flexibility, span of hours and averaging of working hours provisions.

Part-time employees were less likely than other employees to have access to a performance bonus but more likely to be a party to an AWA with absorption of 'extra' payments clauses.

**Table 29:** Incidence of provisions in AWAs by part-time status, 2002-03

Provision	Part-time employees (%)	Other employees (%)
Training	29	38
Apprentice/trainee	4	6
Family-friendly leave	63	69
Annual leave entitlement	54	72
Sick leave entitlement	63	65
Long service leave entitlement	29	37
Family-friendly flexibility	46	43
Span of hours	46	40
Averaging of working hours	29	16
Performance bonus	21	34
Absorption of 'extra' payments	58	42

Source: Online Award & Agreements Database, ACIRRT.

### Young employees

Sixteen per cent of employees in the AWA sample were aged under 21 years. Table 30 details some characteristics of young employees in the sample.

Young employees were twice as likely as older employees to be employed on a casual basis. However, young employees were slightly less likely than older employees to be working on a part-time basis.

Employees aged under 21 years were much more likely to be engaged under apprenticeship or traineeship arrangements. Of the 6 per cent of AWA employees who were apprentices or trainees, over half were under 21 years of age. Twenty-three per cent of young employees were apprentices or trainees, compared with only 3 per cent of older employees.

**Table 30:** Characteristics of AWA employees by age, 2002-03

Characteristics	Under 21 years (%)	Over 21 years (%)
Casual	40	20
Part-time	12	14
Apprentice/trainee	23	3
Public sector	-	12

Source: Online Award & Agreements Database, ACIRRT.

Young employees were much more likely than older employees to be employed in organisations with less than 100 workers (45 per cent compared with 28 per cent). Similar proportions of young and older workers were employed in large organisations.

**Table 31:** Proportion of AWAs by age and employer size, 2002-03

<b>Business size</b>	<b>Under 21 years (%)</b>	<b>Over 21 years (%)</b>
Fewer than 20 employees	13	9
Between 20 - 99 employees	32	19
Between 100 - 499 employees	16	29
More than 500 employees	39	42

Source: Online Award & Agreements Database, ACIRRT.

Young employees were more likely than older employees to be covered by family-friendly flexibility, span of hours, and averaging of working hours provisions. Younger workers were less likely than other employees to have access to a performance bonus through their AWA. Table 32 details provisions in the sample of AWAs by employee age.

**Table 32:** Provisions in AWAs by age, 2002-03

<b>Provision</b>	<b>Under 21 years (%)</b>	<b>Over 21 years (%)</b>
Family-friendly leave	60	60
Annual leave entitlement	39	64
Sick leave entitlement	41	57
Long service leave entitlement	27	45
Family-friendly flexibility	49	33
Span of hours	42	31
Averaging of working hours	30	25
Performance bonus	17	26
Absorption of 'extra' payments	53	39

Source: Online Award & Agreements Database, ACIRRT.

## AWA research

### Findings from the OEA Employee Attitude Survey 2001

To provide a broader understanding of the impact of AWAs from an employee perspective, in 2001 the OEA commissioned a survey of 2 000 employees. The survey was conducted by telephone interview. The 1 000 AWA employees were sourced from the OEA's databases and included only those employees who had had AWAs approved between six months and two years prior to the start of the survey period. The 1 000 random sample employees were sourced from the latest edition of the Australian White Pages Directory.

The random sample employees were not asked about what form of industrial instrument was used to establish their terms and conditions of employment. However, based on the ABS survey *Employee Earnings and Hours* (Cat. 6306.0, May 2000) around 40 per cent of employees would likely be on some form of individual agreement (with the vast majority of these being unregistered). Of the remainder, around one third would be on collective agreements and about a quarter on the award.

Further, according to the ABS data, there is a strong positive correlation between collective agreements and employer size. Thus, it is reasonable to assume that union employees in a workplace of over 100 employees are likely to be employed under a collective agreement. In organisations of over 100 employees the majority of employees are covered by collective agreements while in organisations of less than 100 employees only a small proportion of employees are covered by collective agreements.

Data concerning federally registered certified agreements collected by DEWR supports this assumption in that 88 per cent of employees covered by union certified agreements (those made under s170LJ of the *Workplace Relations Act 1996*) are employed in organisations with 100 or more employees. In addition, given that over 90 per cent of employees covered by state and federal collective agreements are made with unions, it is reasonable to assume that the likelihood of being covered by a collective agreement is higher for union members than non-members.

#### Comparing the experiences of AWA and 'collective' agreement employees

In relation to the OEA Employee Attitude Survey, when comparing responses of employees in the AWA sample to those of random sample union member employees in larger workplaces, it is likely that comparisons are being made with collective agreement employees.

If such an assumption is accepted, a number of interesting trends appear.

Overall AWA employees reported higher levels of satisfaction with their hours than collective employees. They also were more satisfied with their level of control over work hours than collective employees and the degree to which they felt they had influence over start and finish times. In particular, AWA employees were more likely to report that their influence over start and finish times had increased in the two years prior to being surveyed. Given the timing of the survey, this is likely to be when they first made an AWA.

	'Collective Employee'			AWA Employee		
	Satisfied (%)	Want less (%)	Want more (%)	Satisfied (%)	Want less (%)	Want more (%)
Satisfaction with hours	65	26	10	68	20	13

Satisfaction with control over hours	Sat (%)	Neither (%)	Dis (%)	Sat (%)	Neither (%)	Dis (%)
	49	24	28	52	24	24

Influence over when you start and finish work	None-little (%)	Some-Significant (%)	None-little (%)	Some-Significant (%)
	39	61	37	62

Change in influence over start and finish times	Increase (%)	Decrease (%)	Same (%)	Increase (%)	Decrease (%)	Same (%)
	19	4	77	25	5	69

More AWA employees than collective employees reported that they had increased the number of hours that they worked in the last two years. Slightly more AWA employees also reported that they were working harder than two years ago.

Hours worked compared to 2 years ago	<b>'Collective Employee'</b>			<b>AWA Employee</b>		
	More (%)	Same (%)	Less (%)	More (%)	Same (%)	Less (%)
	24	49	27	32	47	21

Difficulty of work	Harder (%)	Easier (%)	Same (%)	Harder (%)	Easier (%)	Same (%)
	52	10	39	53	11	37

AWA employees generally reported having more control over their working arrangements than those on collective agreements. In every single measure of control more AWA employees than collective employees reported having some influence or a significant influence over their working arrangements, and fewer AWA employees than collective employees reported having little or no influence over their working arrangements.

Influence over the type of work you do	<b>'Collective Employee'</b>		<b>AWA Employee</b>	
	None-little (%)	Some-Significant (%)	None-little (%)	Some-Significant (%)
Influence over how you do your work	36	63	33	65
Influence over when you start and finish work	39	61	37	62
Influence over the pace at which you do your job	22	77	19	79
Influence over decisions which affect you in the workplace	34	66	31	67

Greater proportions of AWA employees than collective employees reported that their level of influence in the workplace had increased across a range of indicators. In particular, the proportion of AWA employees whose influence over the pace of their work had increased was 8 per cent higher than that of collective employees, and the proportion of AWA employees whose influence over decisions which affected them had increased was 5 per cent higher.

	'Collective Employee'			AWA Employee		
	Increase (%)	Decrease (%)	Same (%)	Increase (%)	Decrease (%)	Same (%)
Change in influence over the type of work	35	7	59	38	7	55
Change in influence over how you do your work	41	8	51	45	6	48
Change in influence over start and finish times	19	4	77	25	5	69
Change in influence over the pace at which you do your work	32	9	59	40	5	54
Change in influence over decisions that affect you in the workplace	34	15	50	39	10	51

AWA employees were much more satisfied with the level of communication in the workplace than were collective employees. More AWA employees than collective employees also reported that they were better informed about their workplace now than they had been in the past.

	'Collective Employee'			AWA Employee		
	More (%)	Less (%)	Same (%)	More (%)	Less (%)	Same (%)
Informed about what is happening in the workplace compared to the past	37	14	49	48	12	40

	Sat (%)	Neither (%)	Dis (%)	Sat (%)	Neither (%)	Dis (%)
	Satisfaction with level of communication	34	36	30	45	28

AWA employees were more satisfied than collective employees both with the amount of work they performed, and the amount of training they were provided with.

	'Collective Employee'			AWA Employee		
	Sat (%)	Neither (%)	Dis (%)	Sat (%)	Neither (%)	Dis (%)
Satisfaction with amount of work	48	33	20	55	29	15
Satisfaction with amount of training	36	30	35	41	29	30

Collective employees were more likely than AWA employees to report that balancing work and family life had become harder in the two years prior to being surveyed. They were also less likely to report that balancing work and family life had become easier in this time period. Of those employees who reported that achieving work life balance had become easier, 74 per cent of AWA employees nominated "work had become more accommodating" as the reason for this change, compared to 65 per cent of collective employees. Where balancing work and family was reported as having become harder, a significantly greater proportion of AWA employees (48 per cent) than collective employees (30 per cent) reported work as being the reason.

	'Collective Employee'			AWA Employee		
	Harder (%)	Easier (%)	Same (%)	Harder (%)	Easier (%)	Same (%)
Balancing work & life	45	19	36	39	20	42

Why 'easier'?	Work (%)	Family (%)	Other (%)	Work (%)	Family (%)	Other (%)
	65	26	9	74	22	4
Why 'harder'?	30	58	12	48	41	11

Collective employees were much more likely than AWA employees to have experienced increased stress at work in the two years prior to being surveyed. They were also less likely to have experienced a decrease in stress at work in this time.

	'Collective Employee'			AWA Employee		
	More (%)	Less (%)	Same (%)	More (%)	Less (%)	Same (%)
Amount of stress	49	14	37	37	19	44

AWA employees generally had a more positive view of management and the relationship with management than collective employees. A significantly higher proportion of AWA employees agreed with the statements "Management does its best to get on", "Management can be trusted", "Management gives me a say in the way things are run" and "Management gives me a say in the way I do my job".

	'Collective Employee'		AWA Employee	
	Yes (%)	No (%)	Yes (%)	No (%)
Comfortable raising issues with supervisor/manager	86	15	85	13

Management does its best to get on with employees	Disagree (%)	Neither (%)	Agree (%)	Disagree (%)	Neither (%)	Agree (%)
	30	26	44	16	19	64
Management can be trusted	51	18	31	28	25	46
Management gives me a say in the way things are run	50	26	24	36	26	39
Management gives me a say in the way I do my job	31	34	35	19	23	58



AWA employees were also more satisfied with the level of recognition of their work and effort they received in the job than were collective employees. AWA employees were also more likely to consider the productivity/profitability of their employer as being of importance to them, and to agree that their performance was important to the overall performance of their employer.

	'Collective Employee'			AWA Employee		
	Sat (%)	Neither (%)	Dis (%)	Sat (%)	Neither (%)	Dis (%)
Satisfaction with recognition of work and effort	29	30	41	45	28	27

Productivity/profitability of my employer is important to me	Disagree (%)	Neither (%)	Agree (%)	Disagree (%)	Neither (%)	Agree (%)
	15	13	70	9	18	73
My performance is important to the overall performance of my employer	4	16	80	3	10	87

A higher proportion of AWA employees than collective employees felt that performance on the job should be the most important influence on an employees' pay.

	'Collective Employee'			AWA Employee		
	Perf (%)	Skills (%)	Experience (%)	Perf (%)	Skills (%)	Experience (%)
Most influence employee's pay	45	23	20	56	17	13

While collective employees were more likely than AWA employees to be satisfied with their pay and conditions, AWA employees were less likely to be dissatisfied with their pay/conditions. In "net terms" there was little difference between the two. However, AWA employees were much more likely to report an increase in the levels of satisfaction with their pay and conditions over the previous two years.

	'Collective Employee'			AWA Employee		
	Sat (%)	Neither (%)	Dis (%)	Sat (%)	Neither (%)	Dis (%)
Satisfied with pay & conditions	53	22	26	46	33	21

Change in satisfaction with pay & conditions	More (%)	Less (%)	Neither (%)	More (%)	Less (%)	Neither (%)
	29	28	43	38	21	41

On the whole, AWA employees have a more positive perception of management and feel that they have both control and influence over various aspects of their work and the workplace. This would suggest that flexibility facilitated by AWAs has worked to the advantage of employees (as well as presumably employers). In addition, whilst they are likely to be working longer and harder they are less likely to report an increase in stress and are more likely to have seen an improvement in their work life balance.

## Findings from the OEA Employer Survey 2000

A survey of AWA employers was conducted in 2000 by the Office of the Employment Advocate (OEA) in conjunction with Paul Gollan from the London School of Economics.

The survey focused on trends in the processes used by employers making AWAs. In particular the research looked at the reasons employers were making AWAs, the outcomes from making AWAs and the communication methods utilised in the process.

The research found that the two biggest factors motivating the introduction of AWAs were increasing working time flexibility and simplifying existing employment conditions. However, beyond these two reasons there was a significant divergence according to employer size. For larger organisations (those with more than 100 employees) the next most important reasons for introducing AWAs were to improve management-employee relations and to change the nature of the employment relationship. These were less important for smaller employers for whom the next most significant reason was to formalise existing arrangements.

Overall, however, employers stated that the main reasons for introducing AWAs were to:

- increase flexibility of hours (45 per cent);
- simplify employment conditions (42 per cent);
- obtain better organisational outcomes (40 per cent);
- implement management strategy (39 per cent); and
- improve employee-management relations (36 per cent).

Low on the list were direct cost considerations, such as containment of labour costs (18 per cent) and reduced administration cost (12 per cent), industrial relations issues (limitations of collective bargaining and/or agreements – 16 per cent) and competitive pressures (matching the arrangements of competitors – 7 per cent).

These figures would suggest that AWAs are being introduced by many employers as part of a process of cultural change within the organisation, rather than a direct 'slash and burn' or cost driven agenda.

Most of the employers surveyed believed that AWAs had had a very positive effect on their workplace. Two out of three employers (66 per cent) indicated that the ability to introduce change had improved. A similar proportion (64 per cent) reported that management-employee relations had improved or greatly improved. Fifty-eight per cent of employers reported that labour productivity had improved or greatly improved as a result of the introduction of AWAs. Employee commitment had improved or greatly improved in 55 per cent of enterprises. Employee turnover had fallen in 28 per cent of the organisations in the survey, compared to an increase in one per cent.

Only in one area – union relations - were there more employers who thought that there had been a worsening than thought that there had been an improvement. However, most employers (79 per cent) reported no worsening in union relations.

Overall, the majority of employers (65 per cent) held discussions with their employees before commencing the drafting of their AWAs. Other employers held discussions with employees after drafting had commenced. In 59 per cent of all cases, discussions led employers to make changes to the contents of the AWAs. Only 17 per cent of employers did not hold any discussions prior to drafting the AWA and/or did not change the content of the AWA after discussions with employees over the draft of the AWA. In other words, over eight out of ten employers either consulted their employees before starting to draft their AWAs and/or made changes after showing the draft AWA to their employees.

While these figures do not show the ‘success’ of such discussions, they nevertheless indicate that in the vast majority of organisations there is some degree of consultation with and input from employees when drafting AWAs. That their contents had changed after such consultation suggests that employees may have a degree of influence in drafting the AWA.

Those employers who made changes to the content of AWAs following discussions with employees were more likely to see an improvement in organisational outcomes as those who did not. The highest overall improvement for those organisations was the ability to implement change (71 per cent) and management-employee relations (69 per cent). These issues were also the most important objectives of implementing AWAs in the first place.

Overall, the survey findings appear to reveal positive outcomes for the majority of employers who have introduced AWAs. These outcomes have been further enhanced by consultation with employees and especially where AWA content was changed after such consultation. Consultation appears to increase further the likelihood of more positive outcomes relating to improved productivity, improved management-employee relations, increased ability to implement change, reduced employee turnover and increased employee commitment.

## **Earnings of employees on AWAs**

The ABS publishes the *Employee Earnings and Hours* survey ABS 6306.0 every two years; the last survey was conducted in May 2004. Final results from this survey became available in March 2005.

The survey data allow a comparison between the earnings of employees on federally registered individual agreements (in effect, AWAs) and those on federally registered collective agreements (in effect, Certified Agreements).

The published data show that the average weekly total earnings (AWTE) of employees working under Australian workplace agreements (AWAs) remain clearly higher than those for employees covered by either an award or certified agreement (CA).

- The AWTE of employees on AWAs are on average 13 per cent higher than for employees on CAs (\$890.93 cf. \$787.40), and 100 per cent higher than those on the award (\$890.93 cf. \$444.55).

In order to examine the survey results more closely from the perspective of AWAs, the OEA obtained from the ABS additional unpublished data. Analysis of this data is based primarily on average weekly total earnings as it is the best indicator of real outcomes for AWA employees. This approach measures gross weekly pay and acknowledges that AWA employees enjoy greater flexibility in the hours they work. For this reason, the OEA prefers AWTE, rather than other measures as a reliable indicator.

- On average, private sector AWA employees have AWTE 9 per cent higher than private sector employees on CAs (\$800.73 cf. \$733.50). Their earnings are also 81 per cent higher than private sector award employees (\$800.73 cf. \$442.72).
- Public sector AWA employees’ weekly earnings are, on average, 57 per cent higher than for public sector CA employees (\$1378.47 cf. \$878.50).

It is important to note that with respect to the ABS sample, AWA and CA employees comprise relatively dissimilar proportions of public and private sector employees. AWA employees are employed predominantly in the private sector (84 per cent), whereas for CA employees the private sector proportion is significantly less (about 63 per cent). This has implications when the data are further broken down, particularly by gender, industry and occupation, as the larger CA public sector component exerts a greater (generally positive)

influence on the CA employees' earnings. This is particularly the case with female CA employees' earnings.

Male AWA employees' earnings are on average 12 per cent higher than for male CA employees (\$1049.88 cf. \$935.85), and 106 per cent higher than male award employees (\$1049.88 cf. \$509.96):

- in the private sector, male AWA employees earn on average 6 per cent more than male CA employees (\$960.42 cf. \$903.09), and 89 per cent more than male award employees (\$960.42 cf. \$508.37); and
- male public sector AWA employees earn an average 46 per cent more than male public sector CA employees (\$1461.80 cf. \$1001.14), and 109 per cent more than male public sector award employees (\$1461.80 cf. \$699.04).

When comparing the average earnings of female employees in each of the private and public sectors, female AWA employees earn on average more than their CA counterparts in both:

- female private sector AWA employees earn on average 2 per cent more than female private sector CA employees (\$560.78 cf. \$550.12), and 41 per cent more than female private sector award employees (\$560.78 cf. \$397.94); and
- the average earnings of female public sector AWA employees is 51 per cent higher than female public sector CA employees (\$1178.67 cf. \$781.89), and 141 per cent higher than female public sector award employees (\$1178.67 cf. \$489.86).

However, overall (and counter-intuitively), the survey data show that female AWA employees earn on average 2 per cent less than female CA employees (\$634.80 cf. \$644.64), but 58 per cent more than female award employees (\$634.80 cf. \$401.10).

This quirk in the data is explained by the significantly larger female AWA population in the private sector, compared to the public sector (87 per cent versus 13 per cent). The effect this has is to skew the overall average earnings figure heavily towards that of female AWA employees in the private sector (\$560.78) - the lower of the two earnings figures.

Whilst female CA employees in the ABS sample are not quite evenly apportioned between public and private sectors (six out of ten female CA employees are in the public sector), the *positive* influence of the higher earnings of female public sector CA employees on the average earnings of female CA employees is not nearly as pronounced as the *negative* influence of the lower earnings of female private sector AWA employees on the average earnings of female AWA employees.

Both managerial and non-managerial AWA employees have higher average earnings than equivalent CA employees.

On average, managerial AWA employees have earnings 19 per cent higher than CA employees (\$1843.28 cf. \$1543.21), while non-managerial AWA employees' earnings are 5 per cent higher (\$798.81 cf. \$761.19).

AWA employees in the public sector, in both managerial and non-managerial roles, enjoy significantly higher average earnings than their CA counterparts: 28 per cent higher in the case of managerial employees and 42 per cent higher for non-managerial employees.

In the private sector, non-managerial AWA employees fare better than CA employees with average earnings 3 per cent higher (\$744.96 cf. \$720.22). However, managerial AWA employees are 1 per cent less well off than CA managerial employees (\$1812.25 cf. 1837.13).

AWA employees had on average 82 per cent higher earnings than managerial employees on the award, and 80 per cent higher earnings than non-managerial employees on the award.

On a state/territory basis the ABS survey data, with respect to both AWA employees and CA employees, paint a mixed picture. Other than in Western Australia and Tasmania, the average earnings of AWA employees are higher than the average earnings of employees on CAs. Comparatively, AWA employees fare best in the ACT (50 per cent higher average earnings), New South Wales (42 per cent higher) and Queensland (34 per cent higher), while in Western Australia and Tasmania AWA employees' average earnings are behind those of CA employees (by 8 per cent and 18 per cent respectively).

AWA employees in each of the states/territories had, on average, between 36 per cent and 190 per cent higher earnings than their counterparts employed on the award. The AWA earnings advantage was greatest in the ACT, and least in Tasmania.

In half of all industry sectors, employees on AWAs have, on average, higher AWTE than employees on either CAs or the award.

Industry sectors where the average earnings of AWA employees are significantly better than those for CA employees include wholesale trade (86 per cent higher average earnings than under CAs), finance and insurance (46 per cent higher), retail trade (39 per cent higher), and communication services (25 per cent higher).

Industry sectors where employees on CAs had higher average earnings than AWA employees included property and business services (41 per cent higher), health and community services (29 per cent), mining (including coal, 9 per cent), manufacturing (4 per cent), construction (19 per cent), and transport and storage (9 per cent).

Other than in the industry sectors of property and business services and health and community services, where AWA employees have weekly earnings on average 1 and 2 per cent less respectively than award employees, AWA employees are on average between 30 per cent (mining) and 254 per cent (communication services) more highly paid than award employees.

In six of the nine occupational categories used by the ABS, AWA employees are better off than CA employees in terms of average weekly total earnings.

Managers, administrators and professionals are 25 per cent (\$1936.61 cf. \$1550.21) and 41 per cent (\$1285.53 cf. \$911.95) better off than CA employees in these occupational groups.

Other occupational categories where the average earnings of AWA employees is higher than for CA employees include associate professionals (24 per cent higher average earnings than under CAs), advanced clerical and service workers (12 per cent higher), intermediate production and transport workers (36 per cent higher), and elementary clerical, sales and service workers (3 per cent higher).

In each occupational category, AWA employees on average have higher weekly earnings than award employees; from 23 per cent higher for labourers and related workers to 98 per cent higher for associate professionals.

## **Earnings and the gender pay gap**

Using the same ABS survey data male Average Weekly Total Earnings (AWTE) are shown to be consistently higher than female AWTE across all sectors, industries and occupations regardless of pay setting method. The reasons for the wage differential based on gender is the result of many factors that are beyond the scope of this analysis and are therefore not examined in greater detail.

Overall, the data shows that AWA females earned approximately 60 per cent of their male counterparts' earnings. The overall CA and Award female earnings ratio was higher; at 69 and 79 per cent respectively. Whilst AWA females were also at a disadvantage in the private sector compared to CA and award females, the differences were not as pronounced. Among public sector employees the ratio of AWA female earnings to AWA male earnings was higher than for CA and Award females; 81 per cent, compared to 78 and 70 per cent respectively.

Table 33 shows that female AWTE lagged behind male AWTE for both managerial and non-managerial employees.

**Table 33:** Female AWTE as a proportion of male AWTE by industrial instrument

	<b>AWA (%)</b>	<b>CA (%)</b>	<b>Award (%)</b>
Overall	60	69	79
Public sector	81	78	70
Private sector	58	61	78
Managerial employees	70	80	105
Non-managerial employees	64	70	78

Source: ABS *Employee Earnings and Hours* survey (Cat. 6306.0), May 2004 (unpublished data)

In relation to non-managerial employees, the ABS data also provides average hourly total earnings figures for both male and female employees. Given that overall, female employees tend to work slightly less hours than their male counterparts, table 34 provides for a useful comparison and illustrates a less pronounced pay gap across all three types of industrial instruments.

**Table 34:** Female non-managerial average hourly total earnings as a proportion of male average hourly total earnings by industrial instrument

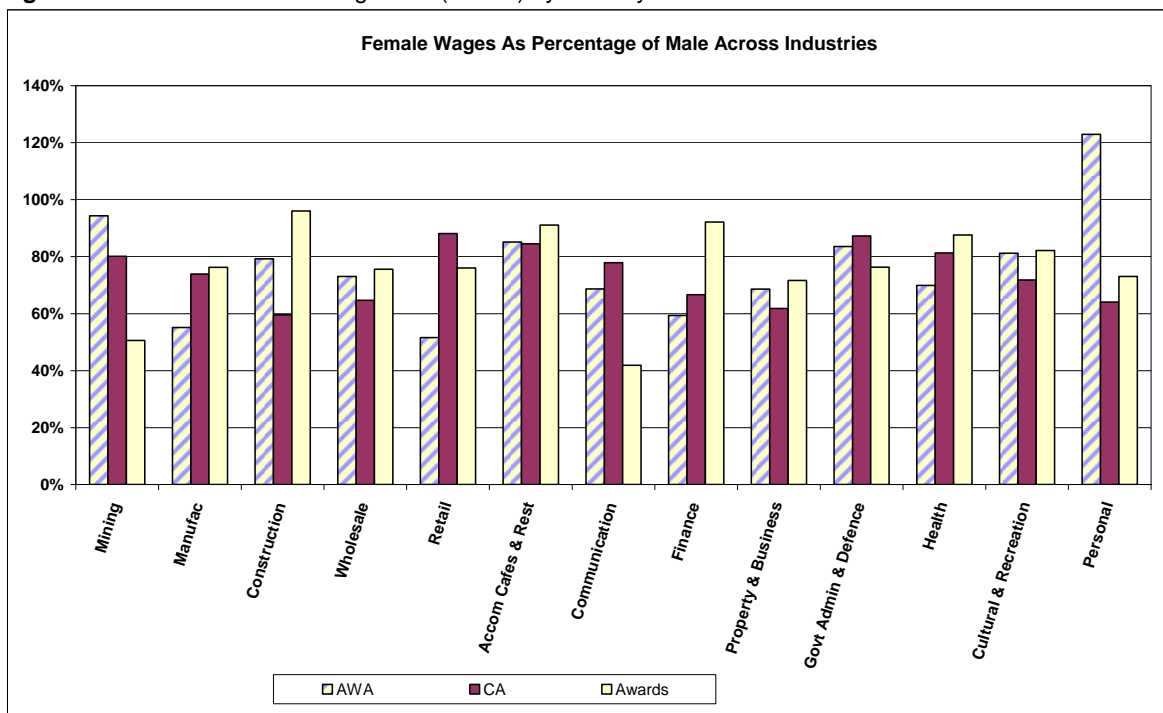
	<b>AWA (%)</b>	<b>CA (%)</b>	<b>Award (%)</b>
Overall	80	87	100
Public sector	78	90	68
Private sector	81	83	100

Source: ABS *Employee Earnings and Hours* survey (Cat. 6306.0), May 2004 (unpublished data)

Of the sixteen industries examined by the ABS in the Employee Earnings and Hours survey, female wage data for three industries, electricity, gas and water supply, transport and storage and education were not available. Of the remaining industries, male earnings are higher than female earnings across all but one industry sector for each of AWA, CA and award employees; the one exception being for AWA females in personal and other services.

As a percentage of male earnings across industries, there appears to be no uniformity of outcome on the basis of pay setting method. Figure 3 shows a mixed result, which is industry dependent rather than pay setting method dependent. The average percentage of female to male wages for AWA, CA and award employees are 76, 74 and 76 per cent respectively, indicating gender wage differential is not biased towards any particular pay setting method. In fact, in eight of the industry sectors, the award provides female employees the best comparative earnings outcome.

**Figure 3:** Female to male earnings ratio (AWTE) by industry

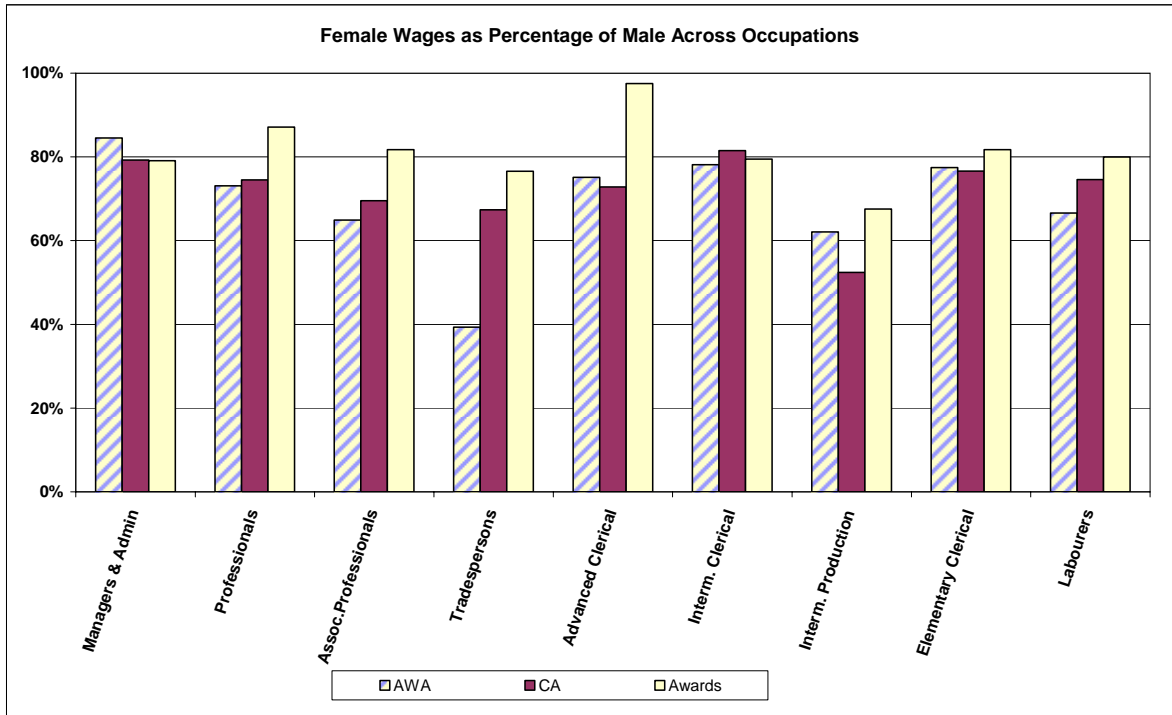


Source: ABS *Employee Earnings and Hours* survey (Cat. 6306.0), May 2004 (unpublished data)

On an occupational basis, and in a continuing trend, male earnings dominate female earnings across the nine occupational categories for each of AWA, CA and award employees.

As was the case on an industry-by-industry basis, the female to male earnings ratio under the award is generally higher than that of either AWAs or CAs in seven out of nine occupations, as shown in Figure 4. A direct comparison between AWA and CA employees shows a more even result, with AWA females earning a higher percentage than CA females in four out of nine occupations. The average percentage for AWA, CA and Award female to male earnings was 69, 72 and 81 per cent respectively.

**Figure 4:** Percentage of female to male earnings by occupation



Source: ABS *Employee Earnings and Hours* survey (Cat. 6306.0), May 2004 (unpublished data)



# Effectiveness of the OEA's advice and assistance

## OEA Client Services Survey

The third annual OEA Client Services Survey was conducted in May 2005 by the Wallis Consulting Group. The primary objectives of the survey were to assist the OEA to measure its performance against key organisational indicators in the Portfolio Budget Statements (PBS), OEA Strategic Plan, and OEA Client Service Charter, as well as support the Small Business Project by providing 'benchmark' performance measures against indicators in the project plan.

Excellent results were achieved for the performance indicators in the PBS and the OEA Strategic Plan. Both indicators contained in the PBS were exceeded:

- 88 per cent of clients agreed OEA advice and assistance was timely; and
- over 90 per cent agreed that OEA advice and assistance was helpful.

Performance also exceeded expectations for Objective 2.1a of the Strategic Plan with 89 per cent of all employers who had used a better workplaces product satisfied with their content and presentation.

An extremely positive result was also achieved for Objective 2.2b of the Plan where a substantial 72 per cent of all employers agreed that OEA AWA products were used to improve their workplace. This performance went considerably beyond the indicator of 40 per cent.

Clients were positive when responding to the majority of the OEA Client Service Charter indicators. Indicators with positive performance results included:

- being able to contact a regional office during business hours (85 per cent);
- being able to easily access publications (94 per cent);
- that OEA staff were professional (94 per cent); and
- being assisted by the OEA or suitably referred (99 per cent).

Areas for improvement were identified, with less than 80 per cent of clients agreeing with the proposition that: the OEA obtained information on a single occasion where possible (78 per cent); undertook information liaison resulting in clients being informed and information being shared (76 per cent); or kept clients informed on the progress of their query (73 per cent).

Overall, small business employers were satisfied with OEA products and services (87 per cent), with a considerable 78 per cent also agreeing that these contributed to workplace improvements. The majority also reported that the introduction of AWAs had:

- improved flexibility (82 per cent);
- improved competitiveness (54 per cent); and
- improved productivity (60 per cent).

As the Small Business Program had only recently been launched, employers were largely unaware that the OEA was developing new products tailored for small businesses. However, employers from small business were almost twice as likely to be aware of the targeted initiative, than employers from medium to large enterprises (30 per cent compared to 16 per cent). Slightly over two thirds of small business had utilised an OEA 'better workplaces' product or service, most commonly a Small Business AWA template or framework, or assistance in drafting an AWA.

The majority of employers and industry partners had used OEA products, such as publications, templates and frameworks, and electronic services. These products were also viewed favourably, with clients agreeing with the proposition that:

- publications were easy to access, easy to understand, and helpful overall (over 90 per cent);
- templates simplified the process of drafting AWAs, were cost effective, saved time, and were useful in making AWAs (around 90 per cent for each indicator);
- the website was easy to use and useful (76 per cent and 96 per cent); and
- AWAonline was easy to use and useful (76 per cent and 98 per cent).

Additionally, 47 per cent of small business employers and industry partners reported having used the small business template.

Of some concern was that 30 per cent of service-user employees reported not having received the information statement from their employers, despite this being a legislative requirement.

Overall, the OEA was viewed as an effective organisation. An excellent 97 per cent rated the ease of contacting the OEA as acceptable or better. Around 91 per cent agreed that the OEA was responsive and that staff had the relevant expertise to address their needs and concerns.

Clients considered the three most positive aspects of the OEA as being:

- the assistance information and advice offered by the OEA;
- the ease / efficiency of AWA lodgement or processing (predominantly AWAonline); and
- the flexibility or simplicity of AWAs.

## Industry Partners

Since 1999 the OEA has been assisted in its work by a growing number of Industry Partners who have expertise in particular business sectors or geographic regions, and are equipped to provide tailored assistance on a fee-for-service basis to employers wishing to make AWAs. Regional staff work closely with Industry Partners and often conduct seminars with partners.

Every Industry Partner is assigned an OEA partnership manager who works closely with the partner, providing specialised information about AWAs and assisting with pre-assessments. All regional managers prepare regular newsletters to their partners updating them on OEA and workplace relations information and meet with their partners as a group from time to time. Since 2000 there has been an annual Industry Partners Forum in Sydney. Partners are keen to attend and interstate partners attend at their own expense.

The OEA now has 130 Industry Partners who operate across a wide range of industries.

**Table 35:** Industry Partners by region

	QLD	NSW	ACT	SA/NT	VIC	WA	TAS	Total
Partners	23	29	4	13	32	18	8	130

OEA Industry Partners are approved by the Employment Advocate and must have met the following standards of quality and experience:

- an established member or client base relevant to AWA implementation;
- a track record of providing quality advice about workplace issues, in particular about AWAs;
- regular communication with members or clients eg through newsletters or briefings;
- experience working with government, either directly or indirectly; and
- a performance culture with commitment to innovation in workplace relations.

In 2004 the OEA began a practice of formally reviewing each partnership on an annual basis.

## Community Partners

The OEA initiated the Community Partner Program in 1997 to compliment its own activities in fulfilling obligations under s83BB(2) of the *Workplace Relations Act 1996*. The objective of the Program is to provide advice and assistance on employment related matters including AWAs to employees in disadvantaged bargaining positions.

The Community Partners have an established role in the community of providing advice free of charge to people facing various forms of disadvantage.

In 2004-05 there were 13 Community Partnerships operating throughout Australia with at least one service in each state and territory. The OEA entered into new contracts with centres for a two year period with contracts terminating on 31 August 2006.

There are five Working Women's Centres, which have received OEA funding since 1 January 1998. These Centres are located in NSW, NT, SA, QLD, TAS and have state/territory coverage with Industrial Liaison Officers providing advice in the main via a 1300/1800 phone number. Appointments can also be made for face-to-face advice.

The Working Women's Centre's contracts under the program provide funding as follows:

1. NSW	WWC	\$63 037.44
2. NT	WWC	\$50 430.00
3. SA	WWC	\$50 430.00
4. QLD	WWS	\$75 645.12
5. TAS	WWC	\$50 430.00
<b>Total including GST</b>		<b>\$289 972.56</b>

There are eight Community Legal Centres contracted to provide services. Each Centre employs a solicitor to provide advice on employment related matters including AWA's. Hours of operation vary according to the funds provided.

Community Law Centres (CLCs) contracts are funded as follows:

1.	South West Brisbane	\$147 087.60
2.	Macquarie	\$147 087.60
3.	Welfare Rights	\$52 531.20
4.	Western NSW	\$126 075.12
5.	Northern Suburbs	\$147 087.60
6.	Launceston	\$94 556.16

7.	Job Watch	\$210 125.04
8.	Employment Law Centre	\$147 087.60
	<b>Total including GST</b>	<b>\$1 071 637.92</b>

Funding and number of services on a state/territory basis is as follows:

NSW	(3)	\$336 200.16
QLD	(2)	\$222 732.72
VIC	(1)	\$210 125.04
SA	(2)	\$197 517.60
WA	(1)	\$147 087.60
TAS	(2)	\$144 986.16
ACT	(1)	\$ 52 531.20
NT	(1)	\$ 50 430.00

Total of the combined program for the full operation from 1 September 2004 to 31 August 2006 is \$1 361 610.48 (GST incl.)

### **Programs that assist employees in disadvantaged bargaining positions**

Under s83BB(2)(a) of the *Workplace Relations Act 1996*, the Employment Advocate must have particular regard to the needs of workers in a disadvantaged bargaining position, (for example: women, people from a non-English speaking background, young people, apprentices, trainees and outworkers).

The OEA will spend over \$1,361,610.48 (exclusive of GST) funding Working Women's Centres and Community Legal Services to provide independent advice and assistance to employees in disadvantaged bargaining positions for the period 1 September 2004 to 31 August 2006.

The OEA also has an *Information statement for employees* which employers are required to give them when they give them a copy of their AWA. In addition to English, this information statement is printed in thirteen community languages including: Arabic, Bengali, Burmese, Chinese, Croatian, Farsi, Greek, Macedonian, Russian, Spanish, Turkish, Thai and Vietnamese.

OEA staff promote the needs of workers in a disadvantaged bargaining position in seminars for employers, employees, consultants and employer associations.

### **Young people and trainees**

The OEA has implemented a range of strategies to ensure that young workers understand their rights and responsibilities under their AWAs. Foremost among these is the OEA's Youth Services website, launched in October 2003 which explains employers and employee's rights and obligations under AWAs in language geared to younger workers.

The Youth Services website emphasises that young employees should seek advice from a parent or guardian before signing an AWA. One of the most recent OEA publications, the *Food Processing Industry Template*, includes a model clause promoting this outcome.

The Youth Services website is a source of detailed information concerning not only AWAs but how traineeships and apprenticeship interact with AWAs. The OEA has published a series of information statements for parents of trainees under 18, New Apprenticeship Centres (NACs), and employers of trainees.

Refer also to Appendix 1 for a copy of: *Information for parents of trainees who are under 18 years old - Australian workplace agreements and traineeships.*

A *Victorian Trainees Framework* (developed in conjunction with other state and federal government agencies) was placed on the OEA website in mid April 2004 and up to the end of June 2005 had been downloaded 1,873 times.

## **National Telephone Advisory Service**

The National Telephone Advisory Service (NTAS) has a primary focus of assisting the Employment Advocate perform the functions set out in section 83BB of the *Workplace Relations Act 1996*. A particular emphasis is however placed on the following parts of s83BB(1):

- providing assistance and advice to employees about their rights and obligations under this Act; and
- providing assistance and advice to employers (especially employers in small business) about their rights and obligations under this Act.

Other functions include:

- answering or referring enquiries on a broad range of workplace relations issues to the appropriate Agency;
- answering questions relating to the OEA website; and
- taking orders for OEA publications and arranging for their delivery.

In the last three years the NTAS has received a total of 126 000 calls – 47 000 in the 12 months to the end of June 2005. In 2004-2005 employees accounted for 63 per cent of calls received and employers 34 per cent (up from 31 per cent in each of 2002-2003 and 2003-2004).

## **OEA website**

The OEA maintains a comprehensive website. The website at [www.oea.gov.au](http://www.oea.gov.au) provides employers and employees with a suite of resources relevant to the making of AWAs. These resources include the various documents necessary to lodging an AWA, a range of both generic and industry-based AWA frameworks and templates, access to AWAonline (an on-line AWA lodgement facility) and a no-disadvantage test calculator.

Information is also provided to both employers and employees relevant to their rights and obligations under the *Workplace Relations Act 1996*. In addition, the website provides a point of access for employers and employees to Industry Partners, Community Partners, the Youth Services website, a Bargaining Agents referral list and AWA complaint form.

The full suite of publications produced by the OEA is also available from the website.

## **AWAs at work**

### **AWA Ambassadors**

AWA Ambassadors are a select group of employers who have agreed to speak publicly about their success in implementing AWAs to improve the working lives of their employees, while increasing the productivity of their business.

AWA Ambassadors are selected by the OEA after careful consideration. The program provides formal recognition for successful businesses, but does not constitute an endorsement by the Commonwealth. There is no financial payment associated with the AWA Ambassador program.

In a mutually beneficial arrangement, AWA Ambassadors receive:

- formal, public recognition before their industry peers and competitors by the Employment Advocate and - based on availability and appropriateness – the Minister for Employment and Workplace Relations;
- a plaque marking their recognition as an AWA Ambassador for display in their business;
- a leaflet promoting their success applying AWAs in their business;
- listing in the OEA Annual Report; and
- listing on the OEA website (with links).

In return, AWA Ambassadors agree to:

- be public advocates for AWAs in their industry and state;
- appear in OEA marketing communications materials;
- appear in media placements organised by the OEA on an opportunity basis; and
- participate in OEA marketing and media relations events on an opportunity basis.

The OEA currently has 35 AWA Ambassadors. Five of their stories are told below:

# COMREC

## Building better workplaces through communication

For COMREC Directors Lance and Judy Jones the experience of working with ‘non-caring’ employers provided them with the motivation to create a supportive, family-friendly workplace where employees can achieve a balance between their work and family life.

Australian workplace agreements (AWAs) have helped the Jones realise their goal and their multi-award winning business is an excellent example of what employers can achieve through listening to their staff. COMREC provides developmental programs for people with disabilities.

The business offers a wide range of courses including numeracy and literacy training, social activities such as canoeing and life skills such as cooking. COMREC introduced AWAs in 2001, the business currently has 22 permanent employees and casuals are brought in for certain programs and during peak times.

Key components of COMREC’s family friendly AWA include carers leave, long service leave available to be taken as single days, study leave, work from home options, permanent part time work, time off to meet personal responsibilities, the ability to negotiate additional leave in lieu of a pay increment and three mental health days per year.

Ms Jones said that employees are encouraged to make suggestions about their AWAs on an ongoing basis as the staffing strategy is considered a work in progress. ‘For example, the new AWA clause which enables staff to negotiate additional leave in lieu of a pay increase was a suggestion and we like to ask new starters to share any ideas from former workplaces that could enhance conditions at COMREC’, Judy Jones said.

Lance Jones says that while the family friendly working conditions made possible by AWAs were intended to help the business attract and retain staff, they have also helped at the bottom line. ‘The biggest savings are associated with the fact that we now have virtually no sickies.

Staff come and talk to us about their leave requirements and rosters are prepared accordingly. This means that last minute staff shortages are easily avoided’, Mr Jones said.

Other advantages include happier employees who know they can balance their family responsibilities with their work commitments, a culture of open communication, increased staff satisfaction and improved staff retention. ‘18 months is the average length of time employees stay in the disability services sector and we have staff at COMREC who have eight to ten years service under their belt. That speaks for itself’, Mr Jones said.

# **JUICY ISLE**

## **A solution that simplified working arrangements**

Juicy Isle is a Tasmanian family owned and operated company, which produces an extensive range of quality fruit juices. Since being founded in 1971 Juicy Isle has continually expanded its range of products, and has had to relocate its production facilities several times as consumer demand has grown.

Juicy Isle first introduced AWAs (Australian workplace agreements) in November 2000 in response to a need to formalise employment agreements. The company was concerned about the number of different awards and unions which covered the workplace, and it was also searching for a way that allowed for extended shifts in its processing section. Juicy Isle identified AWAs as providing the flexibility the company needed, after contacting the Tasmanian Chamber of Commerce & Industry (TCCI) for advice.

‘AWAs were seen as a solution, that both simplified working arrangements, as well as catered to the needs of the business and our employees,’ General Manager Garry Stack said.

It was important to the company to be able to keep the employer-employee relationship at the workplace level, without third party intervention. AWAs allowed Juicy Isle to negotiate directly with employees.

The AWA provides for extended shifts, where processing employees work an 11.5 hour day, four days a week. The weekly rostered days off (RDOs) are highly prized by Juicy Isle employees, who have often indicated that they much prefer to work hard four days a week, and have a day off in lieu. Sick leave and annual leave are calculated on a 9.2 hour day.

Mr Stack listed the main benefits of the AWA as improved staff morale, reduced turnover – especially in the processing section – and more flexibility when negotiating with clients. ‘Our employees could see that the company was considerate of their needs and wants.

By customising the AWA to suit their needs, morale and loyalty have greatly improved,’ Mr Stack said. Since first implementing AWAs Juicy Isle’s workforce has grown rapidly from 15 to 35.

‘We’ve found that new employees are very willing to sign, as they see the AWA as a personalised award. It’s been a great recruitment tool for Juicy Isle, and has helped us attract and retain quality staff.’

The flexibility provided in the AWA has greatly improved Juicy Isle’s capacity to expand the business. The company has found that the productivity and stability achieved through extended shiftwork has led to external confidence in the company.

‘Our contractors and clients understand they can rely on Juicy Isle to live up to its promises,’ Mr Stack said. Another benefit that Juicy Isle has realised through its AWA has been the introduction of an easier dispute resolution procedure.

The provisions in the AWA facilitate the resolution of disputes between parties at the workplace level. All Juicy Isle employees have signed the renegotiated AWA after the first AWA expired.



# MINI MOVERS

## Moving ahead with AWAs

In 1985 Mike and Linda O'Hagan set up Queensland based furniture removal company, MiniMovers, with just \$200 and a ute. Since then the company has experienced continual growth and now employs a team of around 185 people.

Mr O'Hagan introduced Australian workplace agreements (AWAs) in 2003 to overcome restrictions in the award and to provide a skills based career path for employees. Most of the company's operational staff now work on AWAs.

Mr O'Hagan says AWAs have greatly contributed to the success of MiniMovers by fostering a unique work culture which encourages ongoing learning. 'Under AWAs our employees are happier, they earn more money for fewer hours and stay with us for longer. All of this is achieved within a learning environment where their skills are constantly being upgraded', Mr O'Hagan said.

The company's strong focus on training and good practice has helped it win numerous awards including the 2003 Telstra and Queensland Government Small Business of the Year and the Queensland Government's 2005 TradeSmart Award. Mike O'Hagan says his success is partly due to his policy of employing people who really want a job. AWAs enable him to maintain a core group of highly experienced fulltime employees, and the company has a policy of promoting from within. In fact, the current management team is entirely built up of former operational staff. 'AWAs are clearly win-win for all.

The implementation of them has been a resounding success and we've ended up with a much simpler pay system that really suits our business. About three to six months after starting a job with us staff undergo some intensive training and their skill levels and incomes rise significantly', Mr O'Hagan said.

Flexibility of working hours is another key component of the AWAs at MiniMovers. Employees can choose both the days of the week they work and the number of hours by averaging their hours over a two week period. Overtime applies above 50 hours of work each week and employees aren't permitted to work more than six days in any week. 'At the end of the day my people are a lot better off under AWAs and their career path is clear and defined. Each of them knows exactly what they need to do to achieve a certain level of pay', Mr O'Hagan said.

John Collins, a MiniMovers employee who signed the OEA's 500 000th AWA, said he enjoys the camaraderie and mateship of the business. 'At first, I was a little bit reluctant to change over from the award to the AWA, but now that I have I am more than happy. In fact, I work less hours for the same pay and sometimes I even end up a little bit in front', Mr Collins said.

# **SALMON EARTHMOVING**

## **Using AWAs to build better workplace relationships**

Salmon Earthmoving Services is a family run business which was set up by Peter Salmon as a one-man one-machine operation in 1940. Gary Salmon took over from his father in 1971, he now employs more than 105 people and operates a fleet of 110 machines including bulldozers, scrapers, compactors and excavators. Gary Salmon has been using Australian workplace agreements (AWAs) since 2000 and the company has taken a pioneering approach to the implementation and promotion of AWAs in Queensland.

Office Manager Shane Salmon said the company made the switch to AWAs after learning that they enable employers and employees to negotiate the terms and conditions of employment directly, rather than through third parties.

‘We have a reputation for paying above award rates and for having a good relationship with our workers. Having the opportunity to work out our terms and conditions directly was a very attractive option for us’, Mr Salmon said.

A key part of the AWA implementation process at Salmon Earthmoving was consultation with employees. Operations Manager Andrew Davis said direct negotiation has greatly improved the relationship between management and staff.

‘We explained the AWAs to each employee and they were confident that they would be rewarded at a level either equal to or better than the relevant award at all times. They could see they would be on a better overall package and as a result we have had a 100 per cent sign up rate’, he said.

For a hands-on company like Salmon Earthmoving Services keeping business processes simple and straightforward is a priority. Mr Salmon said the plain English used in the company’s AWAs make them easy for staff to understand.

‘Some state awards can be up to 110 pages long. Compare that to our AWAs, which are four pages long and cover all the important issues, and you can see why we made the change’, he said.

The Salmon Earthmoving AWA pays employees above the relevant state award and encourage employee portability between projects.

‘The AWAs give us the flexibility to pay site rates which means our employees are always either equal to or better off than employees on an enterprise bargaining agreement at the same site’, Mr Salmon said. In addition, the AWAs are highly flexible and enable employees to work at either a depot or a workshop, if the machinery is not hired out, or during weather.

‘Big contractors are happy to have us on their books because they know our plant operators are on AWAs. The AWAs ensure we have the flexibility to do the job at hand and guarantee a secure workforce’, he said.

# **SEMAARN SALONS**

## **Using AWAs to reward high performers**

Semaarn Salons is a thriving hairdressing business which was established in Melbourne in 1996. With multiple salons, annual turnover of \$1 million and plans to expand, Semaarn has proven to be a stayer in this highly competitive sector.

After just two years in business, Semaarn Salons won the 1998 National Australian Customer Service Award in its category of small business and in 2004 it won Consumer Affairs Victoria's Retail Excellence Award.

In addition, the company's first apprentice won his TAFE college's Apprentice of the Year Award and apprentices in subsequent years have also received industry awards.

Co-director of the business Brian Clark says rewarding employees and giving them a stake in the business is central to the salon's success, and he says Australian workplace agreements (AWAs) have enabled the business to achieve this.

All of the senior staff at Semaarn Salons have AWAs and Mr Clark says the agreements have contributed greatly to the performance of individual staff members and to the overall success of the business. Individual rewards for personal productivity and team profitability are paid out on a weekly and monthly basis and Mr Clark says this has contributed to high levels of accountability and personal responsibility among team members.

'The AWA in combination with our bonus system gives employees the chance to earn substantially more than they could ever make on a basic wage under the federal award', Mr Clark said. By using the inherent flexibility of AWAs to increase the base rate of pay above the award, offer performance bonuses and remove penalty rates, Semaarn Salons has enjoyed significant increases in both staff and business productivity.

Staff bonuses are calculated relative to salary and are equitable across the various levels of staff experience. In a good week, senior staff can earn up to \$250 above their over-award salaries and salon teams can earn monthly bonuses that contribute to special staff training events.

'We're happy to stand up and say that AWAs are working extremely well for us and to tell people why', Mr Clark said. Under the AWAs, Semaarn also offers free salon services to staff and discounted rates for their family members. Though the salons are open six days per week, staff never work more than 38 hours without being compensated through equivalent time off in lieu or by a bonus equal to or above the award's overtime rate.

'It is very important for us to do the right thing by our staff and to have the flexibility to reward high productivity. If every one of our staff is productive and achieving bonuses, it's a win-win for both the business and the staff, AWAs have enabled us to structure this', said Mr Clark.

In addition, AWAs fit well into Semaarn Salons' open book management style, which encourages staff involvement in the business. Every employee, from first year apprentices to senior stylists, sees the weekly business results as well as the monthly profit and loss statements.

As a result each employee can understand how the overall productivity of the salon affects his or her individual performance bonus. In future, Semaarn Salons hope to help interested staff members become partners in the business, open new salons and employ a new range of staff under AWAs. Mr Clark gives special credit to OEA partner the Australian Retailers Association Victoria for providing an AWA template and ongoing advice and assistance in preparing the salon's AWAs.

# Appendix 1

## Information for parents of trainees who are under 18 years old - Australian workplace agreements and traineeships

### 1. What is an Australian workplace agreement?

An Australian workplace agreement (AWA) is a written agreement between an individual employee (your son or daughter) and his or her employer, which sets out the conditions of employment – for example, rates of pay, hours of work, penalty rates and leave.

If your son or daughter were not under an AWA it is likely that he or she would be covered by an award. An AWA replaces any award that would otherwise apply to the employee's employment.

### 2. Who is responsible for an AWA?

As an agency of the Australian Public Service, the Office of the Employment Advocate (OEA) assesses AWAs and investigates alleged breaches of AWAs and the *Workplace Relations Act 1996*. A contract of training is a written contract of employment and training.

The parties to the contract are the employer, your son or daughter and you (if your son or daughter were under the age of 18 years at the time the contract commenced). A contract of training leads to a nationally recognised qualification.

### 3. What is a contract of training?

A contract of training is accompanied by a training plan that has been negotiated between the employer, your son or daughter and the chosen training provider. The training plan sets out what training is to be provided and how it will be provided. Training contracts will also be for a specific duration and include a probationary period. The training contract will usually provide that once the probationary period has been completed the contract cannot be terminated without the consent of all parties (including parents/guardians if the trainee or apprentice is under the age of 18 years).

### 4. Who is responsible for the contract of training?

In each state or territory there exists a 'Training Authority' responsible for, among other things, approving employers to employ trainees and apprentices and also for the registration of training contracts and ensuring that the terms and conditions of the training contract are met.

### 5. What has an Australian workplace agreement (AWA) got to do with a contract of training?

While the contract of training governs the training and employment requirements, the AWA sets the employment conditions applicable to this relationship such as rates of pay and hours of work.

They are two different and separate documents and are approved by different authorities. It is important therefore to ensure that the provisions in the AWA (for instance, the minimum number of hours of training required per week) allow the trainee or apprentice to meet their traineeship requirements.

### 6. Why an AWA?

Employers can choose the type of agreement that best suit their workplaces.

Some employers also use a combination of agreements. An AWA allows the individual needs of the employer and the employee to be met, for example some awards don't allow trainees to work part-time.

The AWA can therefore change the award terms and conditions.

## **7. Does my son or daughter have to sign the AWA or can they remain on the award?**

Yes – under an AWA a trainee can be offered either a part time or full time engagement. In the case of an apprentice you need to check with the relevant training authority right to choose whether they sign the AWA or remain on an award or agreement.

## **8. Will my son or daughter be disadvantaged by signing the AWA?**

No – All AWAs are assessed against the award which would otherwise apply to ensure employees signing them are not disadvantaged.

The OEA must not approve an AWA if it does not pass what is called the no-disadvantage test. The no-disadvantage test means that if an AWA is approved by the OEA, the overall provisions of an AWA cannot be less than the overall provisions under any award/s and relevant laws which apply to the work in question.

## **10. My son or daughter is under the age of 16, can they legally sign an AWA?**

Yes, you and your son or daughter can show the AWA to anyone you choose.

Indeed, the employer must ensure that the AWA does not include any provisions that prohibit or restrict disclosure of details of the AWA by either party to another person. You are encouraged to discuss the AWA with anyone who you think will be helpful.

Please clarify any concerns prior to signing the AWA. At the end of this document is a list of contacts that may be of assistance. There is no minimum age for the signing of an AWA although the employee must genuinely consent to making the AWA.

The OEA provides an *Information statement for employees* which the employer must provide to all employees.

The OEA is also available to provide advice and assistance to parties to AWAs to enable them to make well informed decisions. There are mandatory holding periods of 5 or 14 days before the employee can sign the AWA. This ensures that your son or daughter can take the AWA home and discuss it with you and get your advice.

An employee is only party to an AWA if they sign it.

The employer must explain the provisions of the AWA to the employee.

## **11. How long can my son or daughter consider whether to sign or not?**

The decision to sign an AWA is an individual choice. “New Employees” must hold the AWA for 5 days before signing. “Existing Employees” must hold the AWA for 14 days before signing. The OEA does not approve an AWA until 14 days after a letter is sent to the employee explaining the AWA process.

The 14 days is allowed to ensure that the employee has ample opportunity to seek further advice and information if required and to contact the OEA if they have concerns regarding their AWA or the AWA process.

## **12. How will we know if the AWA has been received by the OEA?**

When the OEA receives an AWA for approval from an employer it is filed and assessed. After the AWA has been filed the OEA sends the employee a letter explaining the approval process and inviting the employee to contact the OEA if they have any questions about the process or the legal requirements.

This letter is also intended to ensure that the trainee or apprentice has genuinely consented to signing the AWA without duress and/or coercion.

You should check with your son or daughter that they have received this letter. If the OEA has concerns about whether the AWA passes the no-disadvantage test and those concerns are not resolved by written undertakings or other appropriate action the OEA must refer the AWA to the Australian Industrial Relations Commission.

Once the AWA is approved a notice of the approval issued by the OEA is sent to the employer, who is required to give the employee a copy and a copy of the approved AWA. If you have not received these documents after asking the employer for a copy contact the OEA to enquire about the validity of the AWA.

### **13. OEA Community Partners**

Did you know that you can get independent advice over the phone or face-to-face at any of these services across Australia? The OEA funds a number of community based organisations across Australia to assist employees including young people and trainees.

### **CONTACT THE OEA**

1300 366 632 (for the price of a local call)

8.30am - 7.00pm Monday to Friday.

Office of the Employment Advocate

GPO Box 9842 in your capital city.

Select to submit an enquiry online.

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