

TRENDS IN FEDERAL ENTERPRISE BARGAINING

September Quarter 2001 ISSN 1442-5432
EMBARGO: 11:30AM (EST), 28 November 2001

SEPTEMBER QUARTER 2001

KEY FIGURES

AVERAGE ANNUALISED WAGE INCREASES PER EMPLOYEE

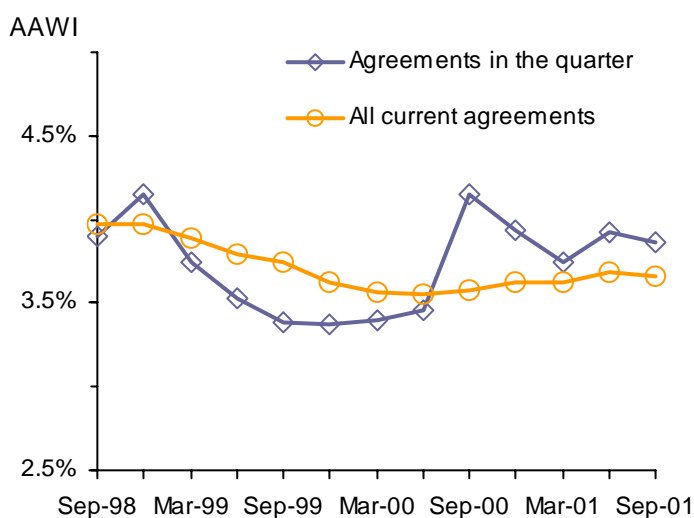
	June quarter 2001 %	September quarter 2001 %	Change points %
Wage agreements in the quarter			
All sectors	3.9	3.9	0.0
Private sector	3.8	3.8	0.0
Public sector	4.1	4.0	- 0.1
All current wage agreements			
All sectors	3.7	3.7	0.0
Private sector	3.6 (r)	3.7	0.1
Public sector	3.7	3.6	- 0.1

KEY POINTS

Agreements certified in the quarter

- Federal wage agreements formalised in the September quarter provided for an average annualised wage increase (AAWI) per employee of 3.9 per cent, unchanged from the June quarter.
- The all sector AAWI was steady despite a 0.1 percentage point decline in public sector AAWI to 4.0 per cent per employee.
- Of wage agreements certified in the September quarter, 5.4 per cent were in the public sector covering 25 per cent of employees compared to the June quarter when 6.7 per cent were in the public sector covering 33 per cent of employees.

Chart 1: Federal wage agreements
Average annualised wage increase



Source: DEWRSB Workplace Agreements Database (WAD)

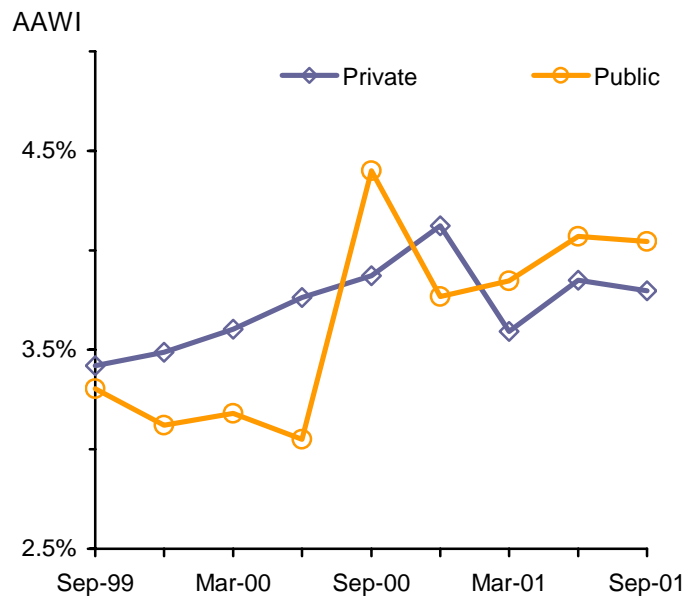
All current agreements

- All current federal wage agreements, as at 30 September 2001, provided an AAWI of 3.7 per cent per employee, unchanged from the June quarter.
- In the private sector, the AAWI per employee was up 0.1 percentage points from the June quarter at 3.7 per cent per employee.
- The AAWI for current public sector agreements was down 0.1 percentage points from the June quarter 2001 at 3.6 per cent per employee.

NOTE: This report summarises the latest estimates from the Department of Employment, Workplace Relations and Small Business' Workplace Agreements Database (WAD). All estimates are rounded to one decimal place and are subject to revision.

ENQUIRIES: Liz Forman (02 6121 7340) and Phil Crotty (02 6121 7625)

Chart 2: Federal wage agreements by sector
Average annualised wage increase
(Agreements certified in the quarter)



Source: DEWRSB Workplace Agreements Database (WAD)

- **NEXT RELEASE:** The December quarter 2001 *Trends in Federal Enterprise Bargaining* report is scheduled for release in late February 2002.
- **SPECIAL FEATURE:** The September quarter 2001 *Trends in Federal Enterprise Bargaining* contains a special feature providing information on agreement making in the Australian Public Service.

DEVELOPMENTS IN FEDERAL CERTIFIED AGREEMENTS

Pace of agreement making

A total of 1 827 agreements were certified in the September quarter 2001 covering an estimated 179 600 employees, compared to 1 424 agreements covering an estimated 197 000 employees in the June quarter 2001. This brings the total number of federal agreements certified by the AIRC from October 1991 to the end of the September quarter 2001 to 41 463.

Conditions only agreements certified during the quarter

Of agreements certified this quarter, 59 included conditions of employment provisions only, representing three per cent of agreements and covering ten per cent of employees. The proportion of employees covered by conditions only agreements certified in the September quarter increased by one percentage point from the June quarter largely as a result of the certification of a very large Tasmanian agreement (covering an estimated 5 570 employees) which stipulates teaching conditions at remote locations.

Wage agreements certified during the quarter

There were 1 768 federal wage agreements certified in the September quarter, covering an estimated 162 000 employees compared to 1 400 covering 194 800 employees in the June quarter. The average size of agreements in the September quarter 2001 was 92 employees – down from 139 in the June quarter 2001

Wage agreements with quantifiable wage increases (see Technical Notes) accounted for 78 per cent of agreements and 81 per cent of employees covered by agreements formalised in the September quarter 2001.

- This compares with 75 per cent of agreements covering 89 per cent of employees in the June quarter 2001.
- Non-quantifiable and unclear wage agreements accounted for 22 per cent of all agreements in the September quarter 2001 and covered 19 per cent of employees.

Current wage agreements

There were 11 755 federal wage agreements current at 30 September 2001, covering an estimated 1 362 100 employees. This is the largest number of current wage agreements recorded since the formal introduction of bargaining in the federal jurisdiction in 1991.

Average annualised wage increases per employee

Chart 1 compares trends over the past three years in the two key wage measures. These are:

- an estimate of the average annualised wage increase (AAWI) per employee for federal wage agreements formalised by the AIRC in a particular quarter, and
- the AAWI per employee for all federal wage agreements current at the last day of a quarter.

The calculation of these wage measures is explained in the Technical Notes.

As noted in this quarter's Key Points, AAWIs for agreements certified in the quarter and all current wage agreements, have so far remained stable during 2001.

While the quarterly AAWI series is a useful forward indicator of wage outcomes for new federal agreements, only an estimated 2.1 per cent of employees in Australia are covered by agreements certified in the September quarter.

- By contrast, the 'all current' AAWI estimate covers a much larger group – approximately 17.9 per cent of all employees at the end of September 2001.

The effect of major agreements on wage trends

Overview of major agreements

There were 47 large federal agreements certified in the September quarter 2001 (each covering 500 or more employees). These agreements accounted for around 2.6 per cent of all agreements approved in the September quarter 2001 while covering 59 per cent of employees (see Tables 1

& 2). This differs from the June quarter when large agreements accounted for just 3.4 per cent of all agreements (revised) and 73 per cent of employees.

Major public sector agreements

Employees covered by large public sector wage agreements were granted an AAWI of 4.1 per cent per employee.

- By contrast, the remaining public sector employees covered by smaller wage agreements (under 500 employees) were granted an AAWI of 3.5 per cent.

Despite the higher AAWI for large public sector wage agreements, the overall impact of these agreements on the AAWI for agreements certified in the September quarter was much less compared to the impact large agreements had in the June quarter 2001.

Nursing agreements

Two major public sector nursing agreements certified in the September quarter 2001 had a marked effect on the AAWI for all large public sector agreements. The Nurses' (WA Government Health Services) Agreement 2001 granted a higher than average AAWI of 4.5 per cent and covered around 7 000 employees.

Similarly, the Nurses' (South Australian Public Sector) Enterprise Agreement 2001 also provided for a slightly higher than average AAWI of 4.2 per cent per employee and covered an estimated 11 100 employees. This was the largest number of employees covered by a single agreement for the public sector in the September quarter.

Major private sector agreements

With employees covered by large private sector agreements accounting for around 34 per cent of all employees covered by agreements certified in the quarter, the effect of the September 2001 quarter's large agreements was considerably less than was reflected in the June quarter. This fall in the impact of large agreements in the September quarter is largely related to the ten percentage point decrease in the proportion of employees covered by major agreements.

Contributions to private sector wage outcomes

In the private sector, the Kmart Australia Ltd Agreement 2001 covering just over 23 000 employees was the largest agreement for the September quarter and provided an AAWI of 3.4 per cent per employee.

Included in the private sector major agreements for the September quarter was one from Pizza Hut which covers just under 10 000 employees and provided for an AAWI of 2.6 per cent.

Table 1: Large federal agreements certified in September quarter 2001 – private sector

	Title	Duration	Total Wage	AAWI	Emps	Notes
	Private sector large agreements	(yrs)	(%)	(%)		
Non-metals manuf	ACI Glass Packaging Australia, Glass Industry Severance Agreement 2001	2.0	*	*	1 300	3
	Bonlac Foods Limited and National Union of Workers Enterprise Agreement 2001	3.0	14.0	4.7	707	
	Bradmill Undare Group - TCFUA Certified Agreement.	2.7	15.0	5.6	585	
	Bridgestone Australia Ltd., Tyre Manufacturing and Development Div, CA 2001	2.0	10.8	5.4	554	7
	Bridgestone Australia Ltd., Tyre Man. & Dev Div, Redundancy/Retrenchment CA	1.8	*	*	554	3
	Nestle Confectionary - (Framework) Enterprise Agreement 2001	3.0	14.0	4.7	725	
Metals manuf	G James Australia Pty Ltd Certified Agreement 2001	1.0	4.0	4.0	866	
	BTR Automotive Drivetrain Systems Albury Enterprise Bargaining Agreement 2001	3.0	14.3	4.8	628	
Mining & Agriculture	BHP Coal Pty Ltd Enterprise Agreement 2001	3.0	12.0	4.0	2000	5
Infrastructure services	Visionstream Certified Agreement 2001	3.0	11.0	3.7	930	6
	Hazelwood Power Enterprise Agreement 2001	3.0	16.2	5.4	520	
	McCaffertys' Certified Agreement 2001	3.0	*	*	932	10
Other services	Bendigo Bank Certified Agreement 2001-2004	3.0	19.5	6.5	857	8
	Brotherhood of St Laurence Enterprise Agreement 2001	2.1	*	*	550	10
	Early Childhood Teachers Multi-Employer Certified Agreement 2000 (No. 2)	2.0	6.0	3.0	1522	11
	Hays Personnel Services Certified Agreement 2001 – 2004	3.0	9.0	3.0	1481	
	Kmart Australia Ltd Agreement 2001	3.0	10.1	3.4	22314	2
	Mayne Health/HSUA NSW/ACT Hospitals Certified Agreement 2001	1.2	6.5	5.4	1465	
	McDonald's Employees, SDA Agreement 2001	2.4	12.5	5.2	6000	
	Noni B Certified Agreement 2001	3.0	*	*	678	4
	Pizza Hut - SDA National Employee Relations Agreement 2001	3.0	7.8	2.6	9960	
	Seven Network (Operations) Limited Enterprise Agreement 2000	2.0	9.0	4.5	1994	
	St John of God Health Care, Ballarat and ANF Enterprise Bargaining Agreement 2000	3.7	12.5	3.4	750	
	St Vincents & Mercy Private Hospital Pty Ltd and the ANF Enterprise Agreement 2001	3.6	14.0	3.9	1300	
	Suncorp Metway Call Centre Employment Agreement June 2001	2.0	5.0	2.5	623	1, 6, 9
	Total large non-quantifiable, unclear or conditions only private sector agreements				4 014	
	Total large quantifiable private sector agreements				56 781	
	Total large private sector agreements	2.8		3.7	60 795	
Source:	Workplace Agreements Database, DEWRSB					
Notes:	<p>* Agreement cannot be quantified – The numerical note will indicate the reason the agreement cannot be quantified</p> <ol style="list-style-type: none"> Operates to the exclusion of all other Awards and/or agreements AAWI calculated on retail staff increases over the life of the agreement No wages details – conditions of employment only agreement Non-quantifiable – employees previously covered by seven different state parent awards \$3000 one-off bonus for full time employees – casuals excluded Productivity/performance pay scheme Guaranteed 8% increase plus 2.8% increase conditional on meeting Key Performance Indicator targets, totalling 10.8% over life of the agreement Guaranteed total increase of 15% for life of the agreement plus performance pay from salary pool of 4.5% Share acquisition as part of total remuneration Increases will be made annually in line with CPI \$1400 bonus 					

Table 2: Large federal agreements certified in September quarter 2001 – public sector

	Title	Duration	Total Wage	AAWI	Emps	Notes
	Public sector large agreements	(yrs)	(%)	(%)		
Infrastructure services	CityRail Train Drivers Agreement 2001	3.0	11.0	3.7	1 228	
	CityRail Train Guards Agreement, 2001	3.0	11.0	3.7	949	
	Civil Aviation Safety Authority Interim Certified Agreement 2001	1.0	3.8	3.8	611	6
Other services	Ambulance Service Victoria - Metropolitan Region Certified Agreement 2001	3.5	12.0	3.4	900	
	Nurses' (South Australian Public Sector) Enterprise Agreement 2001	3.0	12.5	4.2	11 100	
	Nurses' (WA Government Health Services) Agreement 2001	3.0	13.5	4.5	7 000	
	Reserve Bank of Australia - FSUA Enterprise Agreement 2001 – 2002	2.0	7.6	3.8	525	
	Southern Cross University Enterprise Bargaining Agreement 2000	4.0	14.2	3.6	1 170	
	Swinburne University of Technology, General & Academic Staff (excluding Maintenance, Cleaning, Security and TAFE Teaching Staff) Certified Agreement 2000	3.3	12.5	3.8	2 138	1
	TAFE Teachers' Conditions of Employment Agreement 2001	2.5	*	*	1 056	4
	Teaching Service (Tas Public Sector) Isolated Locations Incentives Agreement 2001	3.0	*	*	5 570	5
	The Teaching Service (Tas Public Sector) Conditions of Employment Agreement 2001	2.5	*	*	5 570	4
	The University of New England (Academic Staff) Enterprise Agreement 2001-2003	2.8	13.3	4.8	550	2
	University of Ballarat Enterprise Agreement for Academic and General Staff 2000-2003	3.3	12.4	3.8	973	
	University of Tasmania General Staff Agreement 2000-2003	3.0	12.0	4.0	883	
Victorian Arts Centre Trust (VACT) Enterprise Development Agreement 2001	3.0	9.0	3.0	549		
Government administration & defence	Brimbank City Council Enterprise Agreement No. 3 2001	3.3	11.5	3.5	793	
	Greater Bendigo City Council Enterprise Agreement (No.3) 2000	2.7	12.0	4.4	778	
	Latrobe City Council Enterprise Agreement 2001	2.8	14.0	5.0	817	
	Launceston City Council Enterprise Agreement 2001	3.0	10.0	3.3	520	
	Maroondah City Council Enterprise Agreement No. 4, 2001	1.9	10.0	5.3	789	3
	Moreland City Council Enterprise Agreement 2001	2.6	12.5	4.8	1 104	
	Total large non-quantifiable, unclear or conditions only public sector agreements				12 196	
	Total large quantifiable public sector agreements				33 377	
	Total large public sector agreements	3.0	4.1	45 573		
	Total large private sector agreements	2.8	3.7	60 795		
	Total large agreements	2.9	3.9	106 368		
Source:	Workplace Agreements Database, DEWRSB					
Notes:	<p>* Agreement cannot be quantified – The numerical note will indicate the reason the agreement cannot be quantified</p> <p>1. Operates to the exclusion of all other Awards and/or agreements</p> <p>2. \$635 flat amount paid 1 June 01 equates to a \$12.20 per week increase. Also 1% increase conditional on meeting organisational revenue targets</p> <p>3. \$1000 bonus for each Parks and Works full time team member</p> <p>4 No wages details – conditions of employment only agreement</p> <p>5. Conditions only agreement – conditional bonus of between \$1500 and \$3000 dependant on length of service in isolated teaching locations</p> <p>6. \$1000 bonus</p>					

Average annualised wage increases *per agreement*

Agreements certified during the quarter

Federal wage agreements formalised in the September quarter 2001 allowed for an AAWI *per agreement* of 4.3 per cent, down 0.1 percentage points from the June quarter 2001 figure.

- Private sector wage agreements allowed for an AAWI of 4.3 per cent per agreement in the September quarter 2001, while public sector wage agreements allowed for an AAWI of 3.4 per cent per agreement.

Current agreements

Current federal wage agreements (agreements that had not expired or been terminated at 30 September 2001) provided for an AAWI of 4.3 per cent per agreement – unchanged from 30 June 2001.

- Private sector wage agreements current at 30 September 2001 provided an AAWI of 4.4 per cent per agreement while public sector agreements paid average annual increases of 3.3 per cent per agreement.

The use of this indicator

The AAWI *per agreement* is not the best statistical indicator of aggregate wage increases being granted to employees. This is because it assigns equal weight to each enterprise agreement, irrespective of the number of employees the agreement covers. This makes the indicator particularly prone to distortion by the large number of small, pattern agreements certified in the construction sector.

The AAWI *per employee* weights agreements by employee coverage and so provides a much more accurate picture of average wage increases being received by employees.

Inflation related clauses in agreements

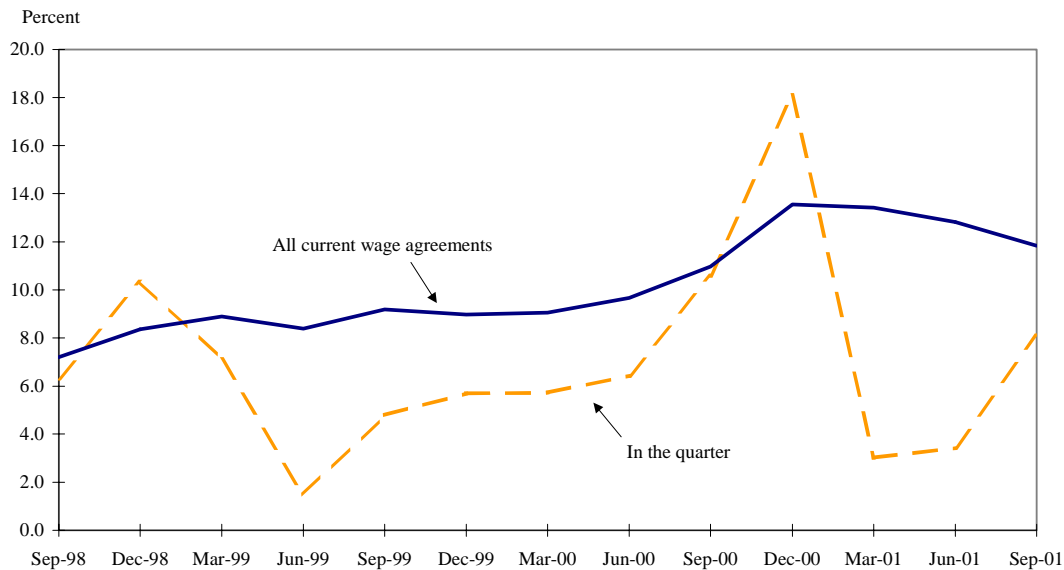
Types of CPI related clauses

The WAD contains information on whether federal workplace agreements have clauses which allow for:

- full indexation of wage increases in line with CPI increases;
- partial absorption of CPI increases depending on whether the percentage wage increase provided by the agreement is higher than the CPI increase;
- a specific GST formula or the effects of net CPI; or
- the re-opening of wage negotiations if CPI increases are higher than anticipated.

The historical application of these CPI related wage clauses in certified agreements, is indicated in Chart 3.

Chart 3: Percentage of employees covered by agreements that contain CPI related clauses



Note: There have been slight revisions to the historical series.

Source: DEWRSB Workplace Agreements Database (WAD)

Employees covered by current agreements

The proportion of all employees covered by current federal wage agreements, whose agreements include any type of CPI related wage clause, was 11.8 per cent at the end of the September quarter 2001, down 1 percentage point from the end of June 2001.

- However, only 1.4 per cent of employees covered by current federal wage agreements are covered by agreements that allow for automatic adjustment of wages in line with CPI movements. This proportion is only marginally higher than the 1.2 per cent recorded in the previous quarter.
- Most agreements that contain a CPI related clause, instead allow for partial absorption of CPI movements or allow only for an agreement to be reviewed in light of CPI movements.

Employees covered by agreements certified in the quarter

Of all employees covered by wage agreements certified in the September quarter 2001, 8.1 per cent were covered by an agreement that contained a CPI related wage clause, up from 3.4 per cent in the June quarter. Around 29 per cent of employees covered by agreements containing CPI related clauses certified in the quarter, were covered by agreements with re-opening clauses.

Types of CPI provisions in the quarter

The most common types of CPI provisions in the September quarter were those providing partial absorption of CPI – which normally leave wage increases unchanged unless CPI increases are greater than the wage increases provided by the agreement. This category accounted for 37.2 per cent of all agreements with CPI related provisions certified this quarter.

Around 32.4 per cent of agreements containing CPI related clauses certified in the quarter only contained re-opening clauses, with a further 8.7 per cent containing automatic clauses. The remaining 21.7 per cent were agreements containing a formula that allowed for net CPI or GST changes.

Number of agreements

The number of agreements containing CPI related clauses identified in the September quarter increased to 207 agreements. As a proportion of agreements certified in the quarter, those with CPI related wage clauses accounted for 11.7 per cent in the September quarter compared to 10.4 per cent in the June quarter 2001.

WAGE TRENDS BY SECTOR

Private sector

Private sector agreements certified during the quarter

At least 1 672 federal private sector wage agreements, covering an estimated 122 100 employees, were certified by the AIRC in the September quarter 2001.

- Private sector agreements certified in the September quarter paid an AAWI of 3.8 per cent per employee, unchanged from the June quarter 2001.
- The proportion of all employees under quantifiable private sector agreements certified in the September rose to 73 per cent from 64 per cent in the June quarter and 41 per cent in the March quarter 2001 (revised).

Private sector expiring agreements

The second half of 2002 is shaping up to be a period of transition, with a significant number of private sector agreements due to expire including more than 3 100 agreements in the December quarter 2002.

In terms of employees covered by expiring private sector agreements, the September quarter 2001 was significant as more than 760 agreements expired covering an estimated 115 300 employees. (See Table 5)

Private sector current agreements

The AAWI for all private sector agreements current at 30 September 2001 was 3.7 per cent per employee, up 0.1 percentage points from the June quarter 2001.

Public sector

Public sector agreements certified during the quarter

In the September quarter 2001, the AIRC formalised 96 federal wage agreements in the public sector, covering an estimated 39 900 employees.

- These agreements allowed for an AAWI of 4.0 per cent per employee, down from the previous quarter's result of 4.1 per cent per employee.
- The proportion of all employees under quantifiable public sector agreements certified in the September quarter fell to just 27 per cent from 36 per cent in the June quarter and 59 per cent in the March quarter 2001 (revised).

Public sector expiring agreements

The quarter with the highest number of public sector agreements due to expire is the June quarter 2002 with 232 wage agreements covering an estimated 103 200 employees expiring. A very large public health agreement and one of the largest federal public service department agreements are both due to expire in May. These two agreements account for around 50 000 employees.

Twelve months later a series of public sector tertiary education agreements fall due to expire. Around 100 tertiary education agreements are due to expire in the six months to 30 June 2003. Many of these agreements will be entering fourth bargaining rounds making this a key period for the development of the sector.

Public sector current agreements

For all federal public sector wage agreements current at 30 September 2001, the AAWI per employee was 3.6 per cent, down 0.1 percentage points from the previous quarter.

AGREEMENTS MADE DIRECTLY WITH EMPLOYEES AND AGREEMENTS MADE WITH EMPLOYEE ORGANISATIONS

Wage outcomes for agreements certified during the quarter

Agreements made under section 170LK

One option made available by the *Workplace Relations Act 1996* (WR Act) to parties negotiating an agreement, is to make an agreement directly between employer and employees. These agreements are provided for under section 170LK of the WR Act.

- The AAWI for employees under section 170LK agreements certified in the September quarter 2001 was 3.2 per cent per employee – down from the June quarter at 3.8 per cent per employee. This fall is the result of the certification of a large number of section 170LK fast food franchise-holder agreements. The wage increases in this industry are on average lower than other industry groupings.
- The transfer of food retailing outlets from the State jurisdictions like New South Wales and Queensland to the federal jurisdiction to use the options available under the WR Act is reflected in an analysis of section 170LK agreements. Fast food franchise holders in Queensland and New South Wales transferred to the federal system in 1998 and the more than 70 agreements certified in the September quarter 2001 represent their second round, or ‘generation’, of bargaining in the federal jurisdiction.

Agreements made with employee organisations

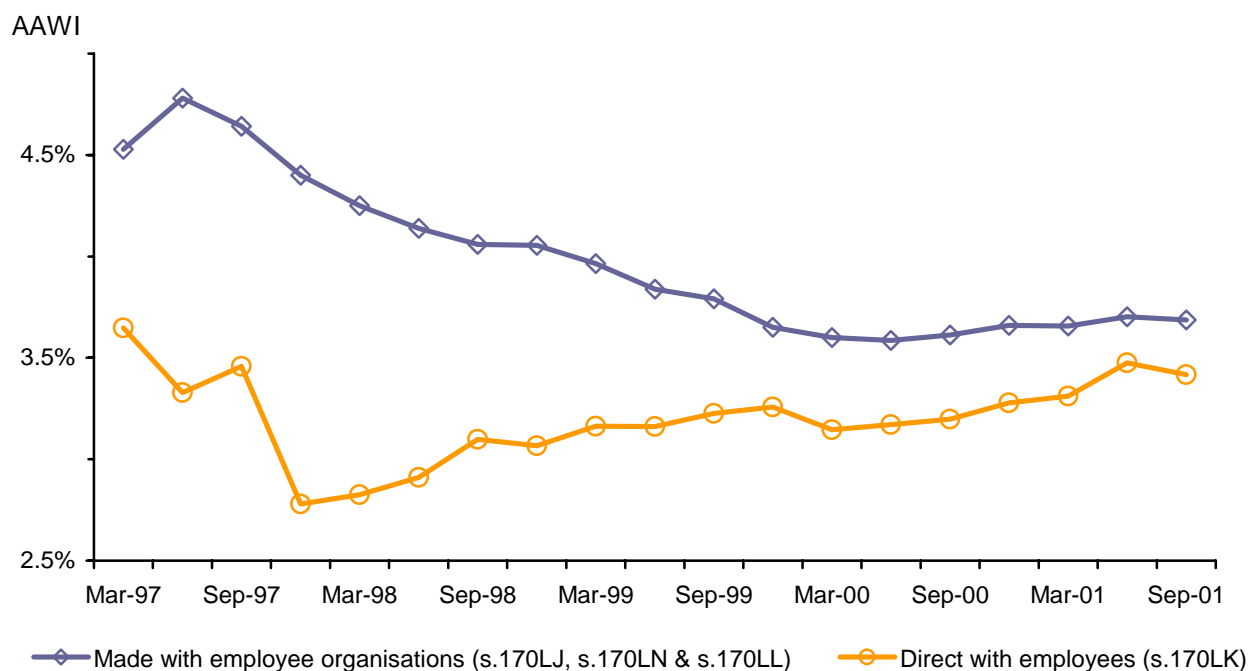
The AAWI per employee for agreements made with employee organisations under the WR Act, (this includes agreements made under section 170LL, 170LN and 170LJ) in the September quarter 2001, was 3.9 per cent per employee – unchanged from the June quarter 2001.

Wage outcomes for all current agreements

A less volatile indicator of wage outcomes under section 170LK agreements is provided by the AAWI for all those agreements current at a given point in time. Chart 4 shows how the larger size of the current agreements data set tends to eliminate quarter-by-quarter volatility but retain any overall trends present in the data. The overall trend evident from Chart 4 has been for AAWIs provided by the two types of agreements to converge.¹

¹ Some organisations report on AAWI per agreement to measure wage outcomes including comparisons between section 170LK agreements and those made with employee organisations. See comments regarding the inadequacy of this measure under *AAWI per agreement*.

Chart 4: Wage trends for agreements made with employee organisations and agreements made directly with employees under the WR Act and current on the last day of each quarter: 31 March 1997 to 30 September 2001



Source: DEWRSB Workplace Agreements Database (WAD)

Agreements made under section 170LK

The AAWI per employee for agreements made under section 170LK and current at 30 September 2001 was 3.4 per cent per employee marginally down from the June quarter 2001 at 3.5 per cent per employee.

Agreements made with employee organisations

The AAWI per employee for agreements current at 30 September 2001 and made with employee organisations was 3.7 per cent per employee – unchanged from the June quarter 2001.

WAGE TRENDS IN KEY INDUSTRIES

Table 4 shows quarterly movements in average annualised wage outcomes for seventeen industry ANZSICs. The manufacturing category has been disaggregated into metals and non-metals industries.

Table 5 shows the expiry pattern for each quarter to 30 September 2004 for the same seventeen industry ANZSIC Divisions. It lists the number of agreements expiring, the number of employees covered by those agreements and the AAWI for the expiring agreements.

Health and community services

A total of 127 agreements were certified in the health and community services sector. These agreements covered an estimated 30 400 employees and provided an AAWI of 4.2 per cent per employee.

- This result is down 0.2 percentage points from the June quarter 2001 of 4.4 per cent but is well above results for agreements certified in 1999 and 2000 where AAWIs for health and community services were 3.2 and 3.0 per cent per employee respectively.
- This industry group includes agreements from the public and private sector. In the September quarter 2001 95 per cent of agreements and 36 per cent of employees were from the private sector with public and private sector agreements providing AAWIs of 4.4 and 4.2 per cent per employee respectively.
- The AAWIs for current health and community service sector agreements have also increased considerably over the past six months increasing from 3.1 per cent per employee at 31 March 2001 to 3.5 per cent per employee at 30 September 2001.

Manufacturing

There were 372 manufacturing agreements certified in the September quarter 2001. These provided an AAWI per employee of 4.1 per cent.

- Manufacturing agreements had an estimated 42 500 employees under agreements expiring in the September quarter 2001.
- This reflects the Australian Manufacturing Workers Union's 'Campaign 2001' which resulted in the negotiation of manufacturing agreements which expired in June and July 2001. These agreements have identical wage outcomes and common expiry dates.

Metals manufacturing

The number of wage agreements formalised in this division was 150 for the September quarter 2001.

- The AAWI for metals manufacturing wage agreements certified in the September quarter 2001 was 4.3 per cent, up from 4.2 per cent in the June quarter 2001.

A total of 121 wage agreements covering an estimated 22 800 employees expired in the September quarter 2001. These agreements granted an AAWI of 4.3 per cent per employee.

- A further 331 agreements are due to expire in the March quarter 2003. These agreements cover an approximate 16 100 employees and provide an AAWI of 4.9 per cent per employee.

Non-metals manufacturing

Non-metals manufacturing wage agreements for the September quarter 2001 provided an AAWI of 4.0 per cent per employee, up slightly from the June quarter.

- The number of wage agreements formalised in the quarter for this industry was up from 168 in the June quarter to 222 in the September quarter.

A total of 414 non-metals manufacturing agreements are due to expire in the September and December quarters 2001. These agreements cover nearly 32 000 employees and granted an aggregate AAWI of 3.3 per cent per employee.

- A further 367 non-metals manufacturing wage agreements are due to expire in the March and June quarters 2003. These agreements which provide an aggregate AAWI of 4.1 per cent per employee cover an estimated 24 800 employees.

Retail Trade

September quarter retail trade agreements provided for an AAWI of 3.4 per cent per employee up slightly from the June quarter AAWI of 3.2 per cent. These agreements cover just over 43 000 employees in total, with over 23 300 employees covered by a single retail store agreement certified in July 2001.

- A total of 106 retail agreements were certified during the September quarter 2001, a significant increase from 32 in the June quarter. This is due to over 70 agreements from a pizza retail franchise certified in the September quarter.

Three major retail trade industry agreements are due to expire in the March quarter 2002 including one of the largest retail agreements due to expire on 31 January 2002. This agreement covers an estimated 43 900 employees and granted an AAWI of 3.3 per cent per employee.

Transport and storage

In the transport and storage industry, a total of 130 wage agreements were certified in the September quarter up from the 100 certified in the June quarter 2001.

Several major airline industry agreements expired or are due to expire in the September and December quarters 2001. These large agreements covered an estimated 22 200 employees and provided AAWI of 3 per cent per employee. Two of these agreements are from Ansett, covering 12 900 and 5 600 employees and providing an AAWI of 3 per cent and due to expire on 31 December 2001.

Communication Services

There were six communication services agreements certified in the September quarter 2001 granting an AAWI of 3.7 per cent per employees, 0.4 percentage points down from the June quarter.

- A very large public sector communications agreement providing a higher than average AAWI of 3.9 per cent per employee and covering an approximate 35 800 employees expired in the September quarter. The new agreement to be voted on in December is set to provide an increase of 8 per cent per employee over a 26-month period plus bonuses.
- A further six communication services agreements are due to expire in the December quarter 2002. These agreements cover an estimated 30 900 employees and grant an AAWI of 4.0 per cent per employee.

Finance and Insurance

A total of 13 finance and insurance wage agreements were certified during the September quarter, down by one from the June quarter.

- The AAWI of 4.0 per cent per employee for the September quarter was also down 0.5 percentage points from the AAWI of 4.5 per cent in the June quarter.
- Three major banking institutes are yet to negotiate new enterprise agreements. The previous agreements negotiated by these banks expired between 12 and 10 months ago and collectively covered approximately 60 000 employees.

Government administration

The number of wage agreements formalised in this industry rose from 58 in the June quarter to 65 in the September quarter 2001.

- The AAWI per employee in government administration fell 0.4 percentage points from the June quarter to 4.1 per cent per employee.
- The number of employees covered by government administration agreements was approximately half of that from the June quarter.

One large city council agreement expired in the September quarter which covered around 2 700 employees and provided an AAWI of 2.5 per cent per employee. A further 74 agreements granting an AAWI of 3.8 per cent per employee and covering around 31 700 employees are due to expire in the December quarter 2001.

TABLE 3: FEDERAL WAGE AGREEMENTS, SEPTEMBER QUARTER 1998 - SEPTEMBER QUARTER 2001 & EXPIRING FEDERAL WAGE AGREEMENTS, SEPTEMBER QUARTER 2001 - SEPTEMBER QUARTER 2004

FOR AGREEMENTS CERTIFIED IN THE NOMINATED QUARTER	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01
PUBLIC SECTOR	264	295	165	146	270	179	175	132	214	194	145	94	96
AAWI (%)	3.4	4.4	3.5	3.4	3.3	3.1	3.2	3.1	4.4	3.8	3.8	4.1	4.0
Employees ('000)	90.3	137.4	31.3	112.0	30.6	42.1	44.4	46.0	85.5	137.6	108.7	63.9	39.9
PRIVATE SECTOR	1,859	1,871	1,430	1,210	1,236	1,288	1,096	1,002	1,776	2,149	1,530	1,306	1,672
AAWI (%)	4.2	3.8	3.9	3.7	3.4	3.5	3.6	3.8	3.9	4.1	3.6	3.8	3.8
Employees ('000)	154.1	119.6	93.2	87.1	89.7	112.3	59.5	61.8	95.2	144.3	92.2	131.0	122.1
ALL INDUSTRIES	2,123	2,166	1,595	1,356	1,506	1,467	1,271	1,134	1,990	2,343	1,675	1,400	1,768
AAWI (%)	3.9	4.1	3.7	3.5	3.4	3.4	3.4	3.5	4.2	3.9	3.7	3.9	3.9
Employees ('000)	244.4	257.0	124.5	199.1	120.2	154.4	103.8	107.9	180.7	282.0	200.9	194.8	162.0

FOR ALL CURRENT AGREEMENTS	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01
PUBLIC SECTOR	990	1 200	1 276	1 354	1 160	1 253	1 313	1 357	1 290	1 235	1 258	1 213	1 146
AAWI (%)	3.8	3.9	3.7	3.6	3.5	3.4	3.4	3.4	3.6	3.6	3.7	3.7	3.6
Employees ('000)	420.4	478.5	469.1	545.1	445.2	439.0	464.9	451.9	476.9	497.9	569.3	599.1	536.5
PRIVATE SECTOR	7 263	8 561	9 462	10 140	10 347	7 952	7 029	7 365	7 134	8 602	9 483	10 176	10 609
AAWI (%)	4.1	4.0	4.0	3.9	3.9	3.7	3.7	3.6	3.6	3.6	3.6	3.6	3.7
Employees ('000)	782.3	855.9	880.8	911.2	911.2	944.4	926.2	889.3	811.2	855.8	832.1	884.3	825.6
ALL INDUSTRIES	8 253	9 761	10 738	11 494	11 507	9 205	8 342	8 722	8 424	9 837	10 741	11 389	11 755
AAWI (%)	4.0	4.0	3.9	3.8	3.7	3.6	3.6	3.5	3.6	3.6	3.6	3.7	3.7
Employees ('000)	1 202.7	1 334.4	1 349.9	1 456.2	1 356.4	1 383.5	1 391.1	1 341.2	1 288.1	1 353.7	1 401.4	1 483.4	1 362.1

FOR ALL EXPIRING AGREEMENTS	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04
PUBLIC SECTOR	93	166	137	232	109	110	89	145	59	37	20	26	4
AAWI (%)	3.7	3.6	2.8	3.2	3.4	3.7	4.2	3.9	4.5	3.7	3.4	4.1	2.9
Employees ('000)	52.1	55.0	21.3	103.2	34.8	59.3	43.1	96.0	40.8	4.8	62.3	11.7	1.0
PRIVATE SECTOR	761	694	581	713	1 404	3 040	1 916	801	396	301	189	303	167
AAWI (%)	3.4	3.2	3.4	3.8	4.1	3.7	4.0	3.8	3.7	4.0	3.7	3.5	3.3
Employees ('000)	115.3	73.2	94.0	90.0	79.9	83.4	87.6	70.3	67.4	40.6	31.1	47.8	28.2
ALL INDUSTRIES	854	860	718	945	1 513	3 150	2 005	946	455	338	209	329	171
AAWI (%)	3.5	3.4	3.3	3.5	3.8	3.7	4.1	3.9	4.0	4.0	3.5	3.6	3.2
Employees ('000)	167.4	128.2	115.4	193.2	114.7	142.7	130.7	166.3	108.2	45.3	93.4	59.5	29.2

Notes: 1. AAWI = Average Annual Wage Increase per employee

2. Agreement and employee estimates are for all federal wage agreements in the period, while estimates of AAWI per employee are based on quantifiable wage agreements.

Source: Workplace Agreements Database, DEWRSB, 14 Nov 2001. All estimates are rounded and are subject to revision. Revisions have been made to historical series.

TABLE 4: FEDERAL WAGE AGREEMENTS, BY ANZSIC DIVISION, SEPTEMBER QUARTER 1998 - SEPTEMBER QUARTER 2001 - (Part One)

FOR AGREEMENTS CERTIFIED IN THE NOMINATED QUARTER ANZSIC DIVISION	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01
Agriculture, forestry and fishing	4	11	5	5	4	6	5	3	11	15	7	6	8
AAWI (%)	5.1	2.4	3.8	4.0	3.1	3.4	3.6	3.5	3.3	4.2	3.3	2.0	4.1
Employees	154	429	357	123	1800	414	219	175	2614	741	369	101	638
Mining	45	38	26	43	43	23	36	26	22	42	20	27	32
AAWI (%)	4.4	3.0	3.7	3.7	3.1	4.3	2.8	2.8	4.2	3.2	2.9	3.6	3.3
Employees	2 950	3 160	1 367	1 927	3 362	1 212	1 841	821	1 604	2 017	1 090	1 917	4 207
Manufacturing	484	360	397	364	402	403	312	279	399	502	406	301	372
AAWI (%)	4.2	4.2	4.0	3.8	3.7	3.8	3.6	3.5	3.9	4.4	4.1	3.8	4.1
Employees	42 234	28 109	31 807	23 427	30 835	38 640	22 334	19 675	25 904	45 035	28 070	16 797	27 694
<i>Non-metals manufacturing</i>	201	156	152	170	224	221	171	150	216	259	203	168	222
AAWI (%)	3.7	3.8	3.7	4.0	3.4	3.5	3.5	3.4	3.6	3.8	3.9	3.6	4.0
Employees	18 905	9 372	14 950	12 293	14 526	20 170	14 308	11 657	13 793	20 651	18 019	11 170	17 900
<i>Metals manufacturing</i>	283	204	245	194	178	182	141	129	183	243	203	133	150
AAWI (%)	4.5	4.4	4.2	3.7	3.9	4.0	3.9	3.7	4.1	4.8	4.4	4.2	4.3
Employees	23 329	18 737	16 857	11 134	16 309	18 078	7 851	8 226	12 545	24 980	10 352	5 471	9 800
Electricity, gas and water supply	42	34	44	46	19	38	13	9	14	20	11	17	14
AAWI (%)	4.2	3.7	6.0	3.4	3.5	3.7	3.6	4.2	4.2	3.8	3.9	4.2	4.7
Employees	1 017	947	1 820	646	6 596	1 551	4 827	474	2 131	1 116	2 549	1 360	1 213
Construction	782	1063	677	504	482	529	498	445	981	1253	832	606	757
AAWI (%)	6.8	6.3	6.3	6.1	5.4	5.1	4.8	4.4	4.8	5.0	4.8	4.8	4.8
Employees	10 763	13 008	7 994	5 684	4 921	7 544	8 572	8 672	12 899	16 803	10 115	6 572	7 549
Wholesale trade	11	18	8	6	19	26	10	10	12	13	7	5	11
AAWI (%)	3.0	3.8	3.2	2.9	3.9	2.9	2.5	4.1	4.5	3.9	5.7	4.3	3.8
Employees	798	1 085	683	274	827	1 639	617	635	628	2 378	312	72	1 258
Retail trade	28	18	13	15	22	30	15	36	36	30	32	32	106
AAWI (%)	3.2	3.3	3.3	4.0	2.7	3.1	3.3	3.6	3.1	3.6	2.4	3.2	3.4
Employees	13 078	34 146	25 126	3 491	18 455	34 851	1 087	16 381	11 477	34 534	28 770	32 628	43 049
ALL INDUSTRIES	2123	2166	1595	1356	1506	1467	1271	1134	1990	2343	1675	1400	1768
AAWI (%)	3.9	4.1	3.7	3.5	3.4	3.4	3.4	3.5	4.2	3.9	3.7	3.9	3.9
Employees	244 385	257 030	124 484	199 097	120 246	154 424	103 822	107 873	180 741	281 954	200 883	194 811	161 983

Notes: 1. AAWI = Average Annual Wage Increase per employee

2. Agreement and employee estimates are for all federal wage agreements in the period, while estimates of AAWI per employee are based on quantifiable wage agreements.

3. * No quantifiable agreements were certified this quarter so that no AAWI is calculable.

4. The manufacturing category has been disaggregated into metals and non-metals industries. Other industry groupings can be derived as follows:

'Infrastructure services' - ANZSIC Divisions D, E, I and J (Electricity, gas and water supply; Construction; Transport and storage; Communication services).

'Other services' - ANZSIC Divisions F, G, H, K, L, N, O, P, Q (Wholesale trade; Retail trade; Accommodation, cafes and restaurants; Finance and insurance; Property and business; services; Education; Health and community services; Cultural and recreational services; Personal and other services).

'Government administration' ANZSIC - Division M (Govt admin and defence).

Source: Workplace Agreements Database, DEWRSB, 24 May 2001. All estimates are rounded and are subject to revision. Revisions have been made to historical series.

TABLE 4: FEDERAL WAGE AGREEMENTS, BY ANZSIC DIVISION, SEPTEMBER QUARTER 1998 - SEPTEMBER QUARTER 2001 - (Final Part)

FOR AGREEMENTS CERTIFIED IN THE NOMINATED QUARTER	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01
ANZSIC DIVISION													
Accommodation, cafes and restaurants	17	24	6	12	16	15	16	15	15	13	12	15	25
AAWI (%)	2.7	2.4	4.5	1.8	2.6	2.4	2.3	3.7	3.8	2.7	3.6	1.1	3.2
Employees	1 729	2 510	660	2 758	746	4 278	1 893	2 229	1 712	1 311	1 265	1 340	2 385
Transport and storage	214	164	113	104	111	114	93	82	180	160	126	100	130
AAWI (%)	3.6	3.2	3.0	3.0	3.0	4.1	3.1	4.1	3.7	3.3	3.4	3.3	4.0
Employees	24 141	22 373	9 140	31 783	7 382	5 749	11 353	3 956	12 322	23 839	6 351	6 916	8 987
Communication services	2	4	3	4	2	5	0	4	5	9	3	4	6
AAWI (%)	2.8	4.0	2.4	3.9	5.0	4.4	*	4.1	3.5	3.8	*	4.1	3.7
Employees	34	73 007	1 517	35 817	962	187	0	164	1 511	43 694	156	1 787	998
Finance and insurance	19	14	5	11	12	10	8	11	12	12	11	14	13
AAWI (%)	4.2	4.3	4.0	3.3	2.9	4.3	3.2	4.1	4.8	5.1	4.8	4.5	4.0
Employees	41 018	4 026	969	8 835	4 231	4 382	3 731	3 305	12 523	9 334	4 081	26 877	3 148
Property and business services	50	44	19	22	24	26	27	32	32	38	22	35	25
AAWI (%)	3.5	4.4	4.1	4.8	5.4	3.6	4.1	3.8	3.2	3.2	4.3	3.8	3.2
Employees	3 891	1 846	1 228	5 277	1 506	2 064	2 241	3 708	2 335	3 980	3 792	13 890	4 014
Government administration and defence	137	85	86	51	82	82	65	50	91	84	54	58	65
AAWI (%)	3.4	5.7	3.7	3.1	2.9	2.8	3.2	3.5	5.0	3.8	4.0	4.5	4.1
Employees	52 500	39 128	18 049	36 550	9 882	17 208	20 374	11 853	51 556	35 982	9 687	17 536	9 605
Education	29	36	37	16	27	21	18	24	33	56	51	34	25
AAWI (%)	3.9	3.7	6.9	4.0	4.1	3.2	3.3	2.7	3.6	4.5	3.9	3.9	3.7
Employees	7 371	2 505	3 789	13 935	8 100	10 324	9 340	16 342	18 175	28 984	91 679	43 112	9 703
Health and community services	231	193	111	123	207	111	123	82	106	53	52	107	127
AAWI (%)	3.6	3.5	3.2	3.5	3.0	3.0	2.9	2.8	3.1	3.0	3.6	4.4	4.2
Employees	33 543	26 190	14 286	24 627	10 950	18 194	7 151	12 865	13 634	28 134	8 374	15 177	30 352
Cultural and recreational services	12	45	37	21	14	14	21	11	21	27	17	28	33
AAWI (%)	4.4	3.1	2.6	2.6	3.9	3.7	3.2	2.7	3.7	3.8	3.7	3.7	3.7
Employees	2 063	3 795	4 833	1 594	7 936	2 672	7 161	5 415	7 479	3 230	3 235	8 145	5 941
Personal and other services	16	15	8	9	20	14	11	15	20	16	12	11	17
AAWI (%)	3.8	3.3	4.0	2.8	3.7	3.9	2.8	3.1	3.6	3.0	3.4	3.0	3.9
Employees	7 101	766	859	2 349	1 755	3 515	1 081	1 179	2 237	842	988	705	1 218
ALL INDUSTRIES	2123	2166	1595	1356	1506	1467	1271	1134	1990	2343	1675	1400	1768
AAWI (%)	3.9	4.1	3.7	3.5	3.4	3.4	3.4	3.5	4.2	3.9	3.7	3.9	3.9
Employees	244 385	257 030	124 484	199 097	120 246	154 424	103 822	107 873	180 741	281 954	200 883	194 811	161 983

Notes: 1. AAWI = Average Annual Wage Increase per employee

2. Agreement and employee estimates are for all federal wage agreements in the period, while estimates of AAWI per employee are based on quantifiable wage agreements.

3. * No quantifiable agreements were certified this quarter so that no AAWI is calculable.

4. The manufacturing category has been disaggregated into metals and non-metals industries. Other industry groupings can be derived as follows:

'Infrastructure services' - ANZSIC Divisions D, E, I and J (Electricity, gas and water supply; Construction; Transport and storage; Communication services).

'Other services' - ANZSIC Divisions F, G, H, K, L, N, O, P, Q (Wholesale trade; Retail trade; Accommodation, cafes and restaurants; Finance and insurance; Property and business; services; Education; Health and community services; Cultural and recreational services; Personal and other services).

'Government administration' ANZSIC - Division M (Govt admin and defence).

Source: Workplace Agreements Database, DEWRB, 24 May 2001. All estimates are rounded and are subject to revision. Revisions have been made to historical series.

TABLE 5: EXPIRING FEDERAL WAGE AGREEMENTS, BY ANZSIC DIVISION, SEPTEMBER QUARTER 2001/SEPTEMBER QUARTER 2004 - (Part One)

FOR AGREEMENTS CERTIFIED IN THE NOMINATED QUARTER ANZSIC DIVISION	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04
Agriculture, forestry and fishing	8	14	4	6	6	6	4	1	5	2	4	3	2
AAWI (%)	3.5	3.1	3.6	3.0	2.5	4.4	4.0	3.3	2.5		5.0	4.3	2.6
Employees	333	2092	179	242	299	227	143	2157	268	52	83	378	262
Mining	31	12	21	11	30	39	16	19	17	16	8	9	10
AAWI (%)	2.9	2.2	2.7	4.6	3.0	3.3	3.0	3.9	3.1	1.4	2.0	2.8	3.7
Employees	1 693	855	1 187	768	1 631	1 693	895	1 420	1 075	768	518	526	2 951
Manufacturing	349	293	214	285	184	196	546	254	142	87	50	60	30
AAWI (%)	3.9	3.4	3.8	3.7	3.5	3.7	4.7	4.0	4.1	3.9	3.9	4.3	3.1
Employees	42 526	18 819	17 808	16 390	13 660	12 412	26 856	21 779	16 876	7 354	3 838	6 669	1 816
<i>Non-metals manufacturing</i>	228	186	124	168	117	117	215	152	88	52	31	40	23
AAWI (%)	3.4	3.2	3.3	3.6	3.5	3.8	4.4	3.8	3.5	3.9	3.4	4.1	3.0
Employees	19 688	12 106	7 911	10 273	10 076	7 645	10 803	13 967	8 158	5 563	2 416	3 935	1 600
<i>Metals manufacturing</i>	121	107	90	117	67	79	331	102	54	35	19	20	7
AAWI (%)	4.3	3.6	4.1	3.7	3.5	3.6	4.9	4.3	4.6	4.1	4.4	4.6	3.8
Employees	22 838	6 713	9 897	6 117	3 584	4 767	16 053	7 812	8 718	1 791	1 422	2 734	216
Electricity, gas and water supply	12	19	12	9	20	9	8	9	9	8	2	3	1
AAWI (%)	3.8	3.8	4.2	3.6	3.2	4.2	3.6	4.1	3.6	4.0		4.0	5.3
Employees	736	5 159	2 212	348	5 166	200	449	1 136	810	1 367	11	186	520
Construction	116	89	142	106	937	2547	1095	185	79	81	30	35	56
AAWI (%)	3.7	3.8	4.1	3.6	4.8	4.9	5.0	4.1	4.0	4.0	4.0	4.0	3.8
Employees	3 170	2 187	2 141	2 715	14 525	26 714	14 034	3 767	1 918	1 506	472	499	878
Wholesale trade	19	10	4	13	10	5	10	6	4	2	3	2	11
AAWI (%)	3.3	4.2	3.9	2.4	4.0	4.9	4.3	3.3	3.4	3.8	3.4	4.4	3.8
Employees	623	533	120	942	815	616	711	274	140	1 062	840	69	1 258
Retail trade	22	17	24	20	22	20	23	21	26	14	11	93	7
AAWI (%)	3.1	2.4	3.4	2.6	3.7	2.4	3.1	3.7	3.4	4.3	3.1	3.2	2.7
Employees	31 104	10 313	55 860	6 996	19 396	22 338	21 539	12 827	35 673	12 976	2 941	26 640	11 240
ALL INDUSTRIES	854	860	718	945	1513	3150	2005	946	455	338	209	329	171
AAWI (%)	3.5	3.4	3.3	3.5	3.8	3.7	4.1	3.9	4.0	4.0	3.5	3.6	3.2
Employees	167 389	128 192	115 354	193 163	114 712	142 664	130 701	166 308	108 206	45 325	93 401	59 460	29 195

Notes: 1. AAWI = Average Annual Wage Increase per employee

2. Agreement and employee estimates are for all federal wage agreements in the period, while estimates of AAWI per employee are based on quantifiable wage agreements.

3. * No quantifiable agreements were certified this quarter so that no AAWI is calculable.

4. The manufacturing category has been disaggregated into metals and non-metals industries. Other industry groupings can be derived as follows:

'Infrastructure services' - ANZSIC Divisions D, E, I and J (Electricity, gas and water supply; Construction; Transport and storage; Communication services).

'Other services' - ANZSIC Divisions F, G, H, K, L, N, O, P, Q (Wholesale trade; Retail trade; Accommodation, cafes and restaurants; Finance and insurance; Property and business; services; Education; Health and community services; Cultural and recreational services; Personal and other services).

'Government administration' ANZSIC - Division M (Govt admin and defence).

Source: Workplace Agreements Database, DEWRSB, 24 May 2001. All estimates are rounded and are subject to revision. Revisions have been made to historical series.

TABLE 5: EXPIRING FEDERAL WAGE AGREEMENTS, BY ANZSIC DIVISION, SEPTEMBER QUARTER 2001 - SEPTEMBER QUARTER 2004 - (Final Part)

FOR AGREEMENTS CERTIFIED IN THE NOMINATED QUARTER	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04
ANZSIC DIVISION													
Accommodation, cafes and restaurants	18	13	9	9	20	12	17	18	10	6	8	3	6
AAWI (%)	4.1	3.6	1.2	3.0	3.9	3.6	4.7	3.3	2.9	2.8	1.8	2.2	3.3
Employees	1 223	2 242	886	372	1 254	822	1 111	2 307	563	518	1 042	187	153
Transport and storage	101	96	52	135	87	126	108	134	51	35	31	30	24
AAWI (%)	3.0	3.0	2.7	3.0	3.3	3.5	3.2	3.8	3.8	3.6	3.7	3.8	2.1
Employees	22 520	34 177	6 638	17 617	3 848	6 151	4 938	11 838	2 720	1 618	3 271	955	1 423
Communication services	2	4	3	2	4	6	4	6	1	2	2	1	1
AAWI (%)	3.9	5.8	3.6	3.0	3.0	4.0	2.6	4.0	4.0	3.7	3.7	3.8	4.0
Employees	35 831	142	197	5 995	1 179	30 903	227	1 743	14	6 647	950	54	20
Finance and insurance	6	9	6	16	9	12	9	7	6	8	3	3	1
AAWI (%)	3.3	5.8	2.6	4.3	4.8	4.2	3.5	3.5	2.5	3.3	3.5	3.3	6.5
Employees	2 376	1 133	2 810	29 266	12 092	4 430	7 243	2 715	978	2 499	932	340	857
Property and business services	28	28	29	26	20	21	27	27	10	16	6	14	5
AAWI (%)	3.9	5.2	3.3	4.0	3.5	3.2	3.1	3.6	1.6	3.1	3.7	2.0	3.0
Employees	1 114	3 245	3 304	11 195	2 077	2 045	2 095	8 700	765	1 270	684	817	1 804
Government administration and defence	58	74	62	88	73	57	33	60	30	18	9	19	3
AAWI (%)	3.1	3.8	3.4	3.3	3.4	3.4	3.2	4.5	3.4	3.3	3.9	3.3	3.3
Employees	11 180	31 731	5 580	39 277	24 327	7 913	5 084	21 129	3 684	2 206	5 265	3 065	482
Education	13	36	29	16	12	34	61	40	22	8	7	5	3
AAWI (%)	3.7	1.9	2.4	2.8	3.7	3.7	4.3	3.8	4.7	4.5	3.2	2.3	3.7
Employees	4 151	1 958	2 155	4 480	5 377	13 555	37 469	65 816	36 816	1 197	55 184	406	600
Health and community services	51	123	77	121	39	26	26	139	26	18	30	41	11
AAWI (%)	3.2	3.1	2.7	3.3	2.9	2.6	3.6	3.6	4.4	4.0	4.1	4.1	3.7
Employees	4 448	11 123	10 715	39 432	3 201	3 332	1 908	6 604	4 113	1 605	16 937	16 850	2 849
Cultural and recreational services	12	13	23	57	16	18	8	14	10	9	6	4	33
AAWI (%)	3.9	3.5	3.1	3.7	3.7	2.7	3.1	3.7	2.3	3.8	2.7	3.0	3.7
Employees	2 165	1 888	1 758	14 373	4 264	5 773	5 140	1 835	875	2 364	1 656	2 995	5 941
Personal and other services	8	10	7	25	24	16	9	6	6	8	5	2	7
AAWI (%)	3.6	2.6	3.0	2.9	3.2	3.8	4.0	3.1	3.5	2.7	3.0	2.0	3.5
Employees	2 196	595	1 804	2 755	1 601	3 540	835	261	918	316	433	163	345
ALL INDUSTRIES	854	860	718	945	1513	3150	2005	946	455	338	209	329	171
AAWI (%)	3.5	3.4	3.3	3.5	3.8	3.7	4.1	3.9	4.0	4.0	3.5	3.6	3.2
Employees	167 389	128 192	115 354	193 163	114 712	142 664	130 701	166 308	108 206	45 325	93 401	59 460	29 195

Notes: 1. AAWI = Average Annual Wage Increase per employee

2. Agreement and employee estimates are for all federal wage agreements in the period, while estimates of AAWI per employee are based on quantifiable wage agreements.

3. * No quantifiable agreements were certified this quarter so that no AAWI is calculable.

4. The manufacturing category has been disaggregated into metals and non-metals industries. Other industry groupings can be derived as follows:

'Infrastructure services' - ANZSIC Divisions D, E, I and J (Electricity, gas and water supply; Construction; Transport and storage; Communication services).

'Other services' - ANZSIC Divisions F, G, H, K, L, N, O, P, Q (Wholesale trade; Retail trade; Accommodation, cafes and restaurants; Finance and insurance; Property and business services; Education; Health and community services; Cultural and recreational services; Personal and other services).

'Government administration' ANZSIC - Division M (Govt admin and defence).

Source: Workplace Agreements Database, DEWRB, 14 November 2001. All estimates are rounded and are subject to revision. Revisions have been made to historical series.

AUSTRALIAN PUBLIC SERVICE LEADS THE WAY IN BARGAINING

Introduction

Two recently released surveys highlight the significant extent to which Australian Public Service (APS) agencies have embraced workplace bargaining.

The results of the *2001 Survey of Agreement Making in the APS* (Survey of Agreement Making) and the *2001 Non-SES Remuneration Survey* were released in early October by the Department of Employment Workplace Relations and Small Business (DEWRSB).

Nearly all APS employees are now covered by workplace agreements, either collective or individual.

- The Survey of Agreement Making sought to identify the experiences, trends and emerging issues facing APS agencies in agreement making. It was undertaken by the National Institute of Labour Studies.
- The Non-SES Remuneration Survey, conducted by Mercer Cullen Egan Dell, was designed to define accurately the salary range and total remuneration package paid to APS non-Senior Executive Service (SES) employees.

Eighty-eight agencies, or over 90 per cent of APS agencies, participated in the Survey of Agreement Making, which builds on a similar survey conducted in 1999. Seventy-three agencies, covering around 95 per cent of non-SES employees, participated in the Non-SES Remuneration Survey. The reports of both surveys are available on the Department's website www.dewrsb.gov.au/workplaceRelations/publicSector

In broad terms, the survey results show that APS agencies are making use of the flexibility available to them to tailor their pay and conditions to their particular requirements.

The APS Workplace Bargaining Framework – an overview

A fundamental shift in the workplace relations framework - to a focus on the workplace - has underpinned the devolution of responsibility for workplace relations to individual APS agencies. As a result, terms and conditions of employment are now, to the largest extent possible, decided at the agency level through agreements made under the *Workplace Relations Act 1996*.

The Government's *Policy Parameters for Agreement Making in the APS (April 2000)* provide the framework for the devolution of authority for agreement making to agencies, while protecting the Government's interests as the ultimate employer.

This framework has enabled APS agencies and their employees to develop and implement working arrangements which best suit their particular operational requirements and which assist employees to balance their work and personal responsibilities.

Survey of Agreement Making – key findings

Agreements in operation – coverage and framework

The Survey found that “agreement making has been taken up with more gusto in the APS than in any other industry – this was true for both certified agreements and AWAs”. Almost all staff are

covered by either certified agreements (94.3 per cent) or AWAs (5.2 per cent). In comparison, across the Australian workforce as a whole as of May 2000, 35.2 per cent of employees were covered by certified collective agreements and 1.8 per cent by registered individual agreements.

Further, almost all APS agreements (88 per cent) were 'stand alone' - comprehensive agreements that provide for all of the pay and conditions entitlements of employees. This is a significant change since 1999, when 60 per cent of agreements were stand alone agreements, indicating a growing maturity in bargaining infrastructure and confidence among agencies. In comparison, 7.6 per cent of current federal certified agreements are comprehensive agreements.

Greater efficiency in making agreements

The Survey found that there have been real improvements in the process of APS agreement making, with the time taken to reach agreement now shorter than it was two years ago, and the process of agreement making easier, for example:

- about 75 per cent of agencies indicated that the time taken to reach agreement was 9 months or less – up from around 50 per cent two years ago;
- more than a third of agencies reported that they had completed their present agreement within six months, more than twice the proportion which had done so in the 1999 survey; and
- only 5 per cent of agencies said that a contributory factor to the duration was their own lack of knowledge or expertise, a marked fall from the 33 per cent of agencies citing this factor in the 1999 survey.

Content and outcomes of certified agreements

The report comments that the main pay provisions in agreements show a remarkable degree of variation, and often ingenuity, in tailoring pay packages within agencies.

- The Survey found the extent of individual agency tailoring was plainly evident from the material provided by agencies on what agencies considered to be the more innovative performance enhancing features of their agreements (see below).

Interestingly, the report notes that while it is sometimes claimed that smaller agencies have less capacity to pay increases than larger agencies, the consultant's analysis did not bear this out.

Fifty-seven per cent of agencies have provisions in their certified agreements enabling individuals to obtain higher pay increases or additional payments on the basis of performance – provisions include accelerated salary advancement, additional bonus payments and/or higher percentage pay increases.

- This is up from the 1999 survey, when 33 per cent of respondents identified performance pay as a feature of their agreement.

The Survey also found that performance management arrangements, family friendly working arrangements and revisions to the classification structure were prominent features in APS certified agreements, with agreements being made which are specifically tied to the operational requirements of the agency.

Australian Workplace Agreements

The Survey found that pay outcomes were higher in AWAs than in certified agreements, with 44 per cent of agencies extending the coverage of AWAs since the previous round of agreement making. This is consistent with the findings of the Non-SES Remuneration Survey.

More agencies used AWAs to reward individuals in ways that certified agreements may not permit so as to retain their services.

Future agreement making

Identifying further productivity improvements and funding arrangements were found to be significant future issues confronting agencies in agreement making. Three quarters of all agencies reported that funding arrangements constituted a “highly significant” or “significant” impediment to successful agreement making, and nine in ten agencies also reported that identifying productivity improvements were either a “highly significant” or a “significant” impediment.

As part of the Survey, participating agencies were asked to identify up to 5 clauses in their current agreement that they consider to be innovative and/or important in enhancing the performance of their organisation. DEWRSB has produced a compilation of these clauses to assist agencies in their future agreement making. This on-line resource is available on the DEWRSB web site at the following link: www.dewrsb.gov.au/workplacerelations/publicsector

Non-SES Remuneration Survey – key findings

Salary Ranges

This survey shows that since 1996 (the last APS-wide pay increase was in October 1996), salary ranges have widened significantly at every non-SES classification level. For instance, the difference between the minimum salary paid to an Executive Level 1 employee and the maximum salary paid to an Executive Level 2 employee has increased from around \$18,000 in 1996 to over \$90,000 as at 30 June 2001. The maximum base salary for an Executive Level 2 employee was \$140,000 while the median base salary was around \$79,800. There is also considerable overlap in the salary ranges at each non-SES classification level. This is consistent with the findings of the 2000 SES Remuneration Survey.

Table 6: Salary band comparison 1996 to 2001¹

APS Class'n		October 1996 ²	Survey 2001 ³	Difference	Difference
		\$	\$	\$	%
GRAD	Min	-	28 790		
	Max	-	44 520		
	Range	-	15 730		
APS 1	Min	22 100	24 020	1 920	9
	Max	26 457	33 880	7 423	28
	Range	4 357	9 860	5 503	126
APS 2	Min	26 983	26 020	-963	-4
	Max	30 042	47 000	16 958	56
	Range	3 059	20 980	17 921	586
APS 3	Min	30 425	26 940	-3 485	-11
	Max	35 021	58 200	23 179	66
	Range	4 596	31 260	26 664	580
APS 4	Min	33 304	31 900	-1 404	-4
	Max	37 341	49 980	12 639	34
	Range	4 037	18 080	14 043	348
APS 5	Min	28 890	32 000	3 110	11
	Max	40 675	77 940	37 265	92
	Range	11 785	45 940	34 155	290
APS 6	Min	31 793	38 700	6 907	22
	Max	47 591	98 400	50 809	107
	Range	15 798	59 700	43 902	278
EL 1	Min	50 931	48 750	2 181	-4
	Max	61 350	91 040	29 690	48
	Range	10 419	42 740	32 321	310
EL 2	Min	57 983	59 430	1 447	2
	Max	70 331	140 000	69 669	99
	Range	12 348	80 570	68 222	552

Note: ¹APS classifications in some instances encompass approved agency-specific classifications which may include positions with lower work level standards and correspondingly lower pay points than the equivalent APS classification.

²The October 1996 ranges reflect the various classifications now captured in the eight level APS structure introduced in 1999. Hence the ranges do not mirror those for the Administrative Service Officer classifications as set out in the 'Continuous Improvement in the APS Enterprise Agreement 1995-96'.

³ Survey 2001 ranges are based on actual data

Total Remuneration Package (TRP)

The value of other fixed benefit items, such as superannuation and motor vehicles (where provided as part of an employee's remuneration package), add from around \$3,600 to median base salary at the APS 1 Level to over \$13,000 at the Executive Level 2.

The maximum TRP for an Executive Level 2 employee was around \$163,900. The median TRP for an Executive Level 2 employee was \$93,000.

Components of Remuneration

In general, base salary and superannuation are the only significant components of remuneration for employees covered by certified agreements, whereas employees covered by AWAs received other components as well (eg. performance pay, retention bonuses, vehicles).

Performance Incentives

Performance payments for non-SES employees are increasingly common and range up to almost \$30,000. The Survey indicated that 13 per cent of the non-SES employees on a certified agreement and 70 per cent of the non-SES employees on an AWA are eligible to receive a performance bonus. 44 per cent of the employees on a certified agreement eligible to receive a performance bonus and 61 per cent of eligible employees on an AWA actually received a performance bonus in 2000-2001.

The average performance bonus for non-SES classification levels ranges from around \$100 up to about \$4,600 (the average is calculated including those employees who were eligible to receive a performance incentive but did not receive such a payment last year).

The average performance bonus for non-SES classification levels as a percentage of TRP for the relevant classification level ranges from less than 1 per cent up to about 6 per cent.

Retention Bonuses

Retention bonuses ranged from \$500 up to \$35,000. The majority of payments are made at a point in time (eg. after 12 months continuous employment). Retention bonuses are only available to employees covered by AWAs, with about 7.5 per cent of non-SES employees covered by AWAs eligible for retention bonuses.

The average retention bonus for those non-SES employees eligible to receive such a payment ranged from around \$2,500 up to about \$6,000 over 2000-2001. The average retention payment for these employees as a percentage of TRP ranged from about 4.5 per cent to over 6 per cent.

Other Benefits

Overtime and shift penalty payments are a significant additional source of remuneration for some employees – ranging up to \$41,250 for overtime and over \$21,000 in shift penalties. Some agencies have also moved towards offering an allowance in lieu of overtime, eg in one instance the allowance was set at \$32,500.

Overall Conclusions

- The Survey of Agreement Making concluded that agreement making is working for agencies. The Survey also found that agencies have been able to deliver pay rises and other benefits to staff, and to fund the cost of these benefits, without compromising service standards.
- The Non-SES Remuneration Survey shows that agencies are using the flexibility available to them to tailor remuneration arrangements to attract, retain and reward high performing staff. The Survey also found that employees on AWAs generally have higher remuneration levels, particularly in relation to Total Reward (ie TRP plus performance incentives).

ENQUIRES: All enquires regarding the information contained in this special feature should be directed to either Lisa Cox – 02 6121 5158 or John Kovacic – 02 6121 7765.

TECHNICAL NOTES

The Workplace Agreements Database

The Workplace Agreements Database (WAD) is maintained by the Workplace Relations Policy & Legal Group of the Department of Employment, Workplace Relations and Small Business (DEWRSB). The WAD contains information on all known federal enterprise agreements which have been certified or approved by the Australian Industrial Relations Commission (AIRC) since the introduction of the Enterprise Bargaining Principle in October 1991. The WAD covers general details (such as sector, ANZSIC, duration, employees covered), wage details (quantum and timing of increases), and employment conditions. Information entered on the WAD is derived from copies of federal agreements lodged with the Australian Industrial Registry.

Employee coverage

Information on the number of employees covered by an agreement is drawn from the statutory declarations provided to the AIRC by the parties, along with AIRC transcripts and decisions, and employer contacts.

Actual employee numbers are known for 84% of all new agreements certified in the September quarter 2001. Where employee coverage is not known, a 'modified mean' is used to estimate employee coverage. The modified mean is generated for each industry group by calendar year removing the largest 5% and smallest 5% of agreements, and then calculating the mean of the remainder.

Duration of agreements

The WAD uses the 'effective duration' of each agreement rather than formal duration (that is, the period from certification to expiry) to measure agreement duration. The effective duration of a wage agreement is the difference in months between: (1) certification and expiry date, (2) commencement and expiry date, or (3) the date of the first wage increase and expiry date, whichever period is the greatest.

Average annualised wage increases

Estimates of average wage increases are calculated for those federal wage agreements that paid *quantifiable* increases. Wage agreements whose average percentage increase could not be quantified (eg, those introducing a new salary structure) are excluded from these estimates.

For quantifiable wage agreements, the *average annualised wage increase (AAWI) per agreement* is calculated by (1) summing the percentage wage increases to give a total percentage wage increase for each agreement (flat dollar increases are converted to a percentage using average weekly ordinary time earnings (AWOTE) for the relevant ANZSIC industry division and quarter) and (2) annualising the total percentage wage increase by dividing it by the effective duration and multiplying it by 12. For the few agreements whose duration is less than one year, a 12 month duration is assumed when calculating AAWI.

AAWI per agreement provides only a simple unweighted average and tends to overstate the average wage increase received by employees. For this reason *Trends in Federal Enterprise Bargaining* reports the *average annualised wage increase (AAWI) per employee*, which is calculated by weighting AAWI per agreement by the number of employees covered by that agreement.

The *all current* wage estimates are the AAWI per employee for all quantifiable federal wage agreements that are current on the last day of the quarter. Current agreements are those agreements that have been certified but have neither been terminated nor expired at a given point in time. An agreement that expires on a given date is deemed to be current on that date.

Estimates of AAWI generally exclude increases paid in the form of conditional performance pay, one-off bonuses, profit sharing or share acquisition, as these data cannot readily be either quantified or annualised. This, along with the use of a simple rather than compound percentage wage increase, may result in a small under-estimation of average wage increases.

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