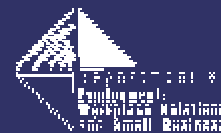


Trends in enterprise bargaining



**EMBARGO: 11.30AM (EST)
THURSDAY
8 MARCH 2001**

DECEMBER QUARTER 2000

ISSN 1442-5432

DECEMBER QUARTER – KEY FIGURES

AVERAGE ANNUALISED WAGE INCREASES PER EMPLOYEE

	September quarter 2000 %	December quarter 2000 %	Change points %
Wage agreements in the quarter			
All sectors	4.1	3.9	-0.2
Private sector	3.9	4.1	0.2
Public sector	4.3	3.8	-0.5
All current wage agreements			
All sectors	3.6	3.7	0.1
Private sector	3.7	3.7	0.0
Public sector	3.6	3.6	0.0

DECEMBER QUARTER – KEY POINTS

■ Federal wage agreements formalised in the December quarter paid an average annualised wage increase (AAWI) of 3.9 per cent per employee, down 0.2 percentage points from the September quarter.

■ The lower outcome for all sectors in the December quarter was primarily the result of a 0.5 percentage point fall in public sector AAWI to 3.8 per cent per employee. This fall contrasts with the September quarter, when three large public sector agreements were responsible for a marked increase in the public sector AAWI.

■ The impact of the fall in public sector AAWI was partially offset by a climb in the private sector AAWI of 0.2 percentage points to 4.1 per cent per employee. The increase in private sector AAWIs reflected an increase of 0.4 percentage points in the AAWI for manufacturing agreements up from the 3.9 per cent per employee measured in the September quarter. Manufacturing employees also accounted for a larger proportion of private sector employees in the quarter.

■ All current federal wage agreements, as at 31 December 2000, granted an AAWI of 3.7 per cent per employee, up 0.1 percentage points from the September quarter. In the private sector, the AAWI per employee was unchanged from the September quarter at 3.7 per cent per employee. The AAWI for current public sector wage agreements was also unchanged from the September quarter 2000 at 3.6 per cent per employee.

Information

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.

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Next release: The March quarter 2001 *Trends in Enterprise Bargaining* report is scheduled for release in late May.

Chart A: Federal wage agreements

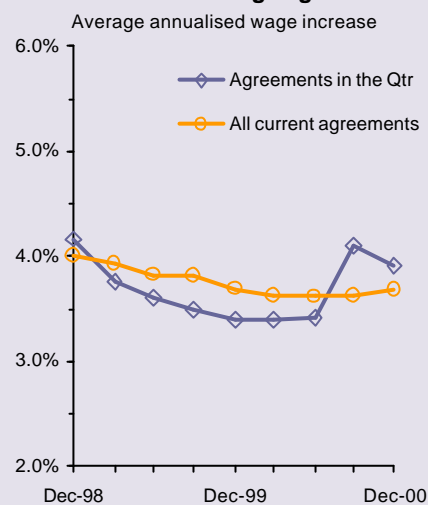
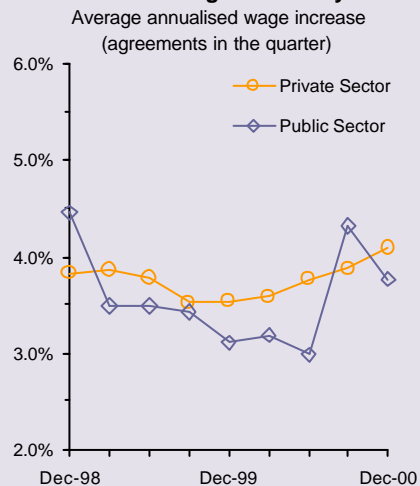


Chart B: Federal Agreements by sector



DEVELOPMENTS IN FEDERAL AGREEMENTS

Pace of agreement making

A record 2 361 agreements were certified in the December quarter 2000, the largest number of agreements formalised in any one quarter since the introduction of bargaining in 1991. These agreements covered an estimated 282 300 employees – the largest number of employees covered by agreements certified in a quarter since 1997. This brings the total number of federal agreements formalised by the AIRC from October 1991 to the end of December 2000 to 36 429.

The high number of agreements certified reflects a combination of factors. A large proportion of agreements certified in the December quarter 2000 are renegotiations of agreements that were first certified in 1997 and 1998 and the December quarter is also a seasonally high quarter for certification of agreements.

There were 2 298 federal wage agreements certified in the December quarter, covering an estimated 277 000 employees.

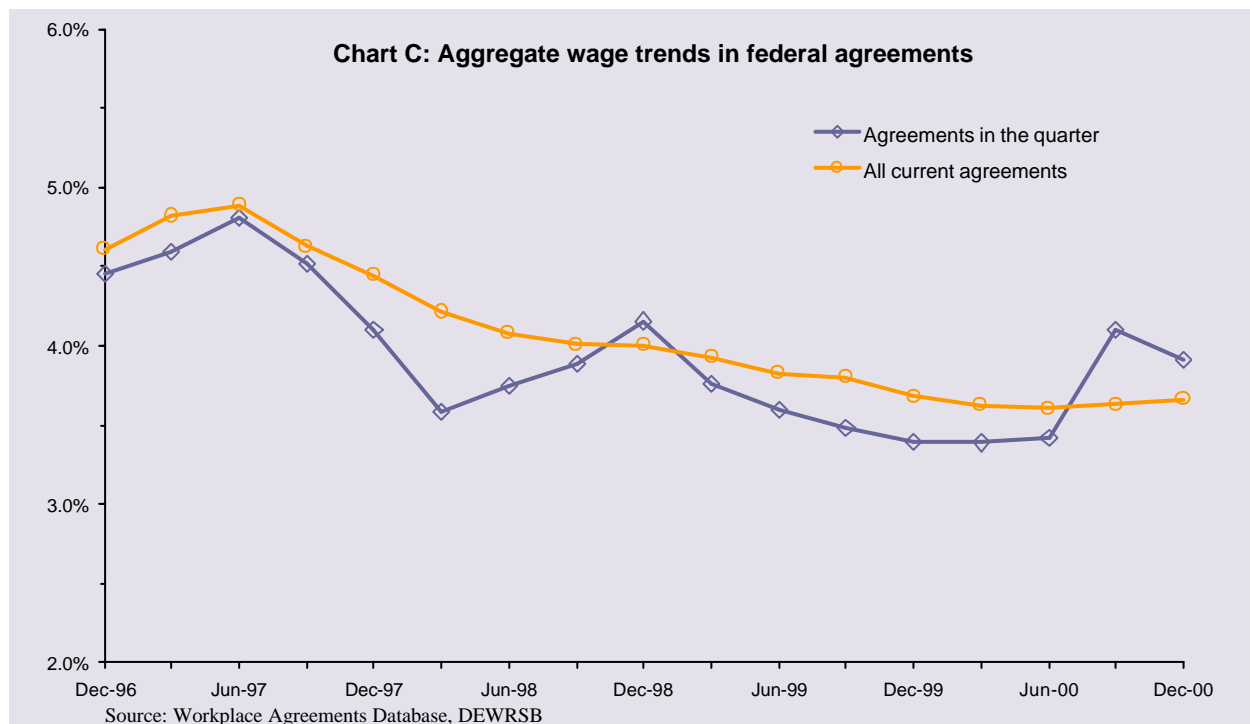
Wage agreements with quantifiable wage increases (see Technical Notes) accounted for 83 per cent of agreements and 89 per cent of employees covered by agreements formalised in the December quarter 2000. This compares with 81 per cent of agreements covering 81 per cent (revised) of employees in the September quarter 2000. (This figure has been revised since the publication of the September quarter *Trends in Enterprise Bargaining* to reflect the contribution of agreements forwarded to the Department in the December quarter despite having been originally certified in the September quarter. These agreements did not alter September quarter AAWIs.) Non-quantifiable wage agreements accounted for 14 per cent of all agreements in the December quarter 2000 and covered 9 per cent of employees. The remaining three per cent of agreements included employment conditions only and covered two per cent of employees.

There were 9 780 federal wage agreements current at 31 December 2000, covering an estimated 1 346 800 employees.

Average annualised wage increases per employee

Chart C below compares trends over the past four 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. An explanation of how both these estimates are calculated can be found in the Technical Notes.

While the quarterly AAWI series is a useful forward indicator of the average annual increase paid by *new* federal agreements, just over 3.6 per cent of all employees in Australia are covered in the December quarter's figures. In contrast, the 'all current' AAWI estimate covers a much larger group – approximately 17 per cent of all employees at the end of December 2000.



TECHNICAL NOTES

The Workplace Agreements Database

The Workplace Agreements Database (WAD) is maintained by the Labour Market Policy 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 drawn 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 81% of all new agreements certified in the December quarter. 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 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.

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 a compound percentage wage increase, may result in a small under-estimation of average wage increases.

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TABLE A: FEDERAL WAGE AGREEMENTS, BY INDUSTRY AND SECTOR, DEC QUARTER 1997 - DEC QUARTER 2000

FOR AGREEMENTS CERTIFIED IN THE NOMINATED QUARTER INDUSTRY/SECTOR	Dec-97	Mar-98	Jun-98	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00
	Non-metals manufacturing	182	126	183	201	156	152	170	224	220	169	150	217
AAWI (%)	4.4	4.5	4.3	3.7	3.8	3.7	4.0	3.4	3.5	3.5	3.4	3.7	3.9
Employees ('000)	13.5	12.9	16.0	18.9	9.4	15.0	12.3	14.5	20.2	14.2	11.7	14.2	19.7
Metals manufacturing	154	164	158	283	204	245	194	178	183	140	128	183	239
AAWI (%)	4.9	4.5	4.6	4.5	4.4	4.2	3.7	3.9	4.0	3.8	3.7	4.1	4.6
Employees ('000)	11.0	15.1	15.3	23.3	18.7	16.9	11.1	16.3	18.1	7.5	8.1	12.0	24.6
Infrastructure services	603	490	534	1040	1266	835	658	613	688	603	536	1178	1424
AAWI (%)	5.5	4.5	5.0	4.6	4.1	4.7	3.7	4.1	4.6	3.8	4.3	4.2	3.9
Employees ('000)	51.5	14.0	13.0	36.0	109.3	20.4	73.9	19.7	15.1	24.2	13.0	28.4	85.2
Other services	224	218	308	414	405	245	234	358	263	240	231	276	237
AAWI (%)	3.9	3.6	3.7	3.9	3.4	3.3	3.7	3.3	3.2	3.2	3.1	3.5	3.8
Employees ('000)	153.5	66.3	158.2	110.9	76.9	52.3	63.1	54.2	82.1	30.9	60.7	68.0	106.2
Government administration	77	87	90	137	85	86	52	87	84	74	60	104	95
AAWI (%)	3.2	2.5	3.2	3.3	5.8	3.8	3.1	3.1	2.9	3.1	3.6	4.7	3.8
Employees ('000)	45.0	23.9	33.0	55.5	39.2	18.1	36.6	12.1	14.6	22.8	14.2	58.2	38.7
PUBLIC SECTOR	152	152	151	264	295	166	146	270	178	174	133	214	196
AAWI (%)	4.4	2.8	3.5	3.4	4.5	3.5	3.5	3.4	3.1	3.2	3.0	4.3	3.8
Employees ('000)	112.3	40.0	89.2	93.5	137.5	31.5	111.9	30.6	42.0	43.4	46.2	87.8	137.6
PRIVATE SECTOR	1123	963	1162	1859	1870	1429	1209	1236	1289	1093	999	1776	2102
AAWI (%)	3.8	3.9	4.0	4.2	3.8	3.9	3.8	3.5	3.5	3.6	3.8	3.9	4.1
Employees ('000)	165.6	94.5	148.7	154.1	119.6	92.9	87.1	89.4	109.7	58.2	62.4	95.3	139.4
ALL INDUSTRIES	1275	1115	1313	2123	2165	1595	1355	1506	1467	1267	1132	1990	2298
AAWI (%)	4.1	3.6	3.7	3.9	4.2	3.8	3.6	3.5	3.4	3.4	3.4	4.1	3.9
Employees ('000)	278.0	134.5	237.9	247.7	257.1	124.4	199.0	120.0	151.7	101.6	108.6	183.0	277.0
FOR ALL CURRENT AGREEMENTS													
PUBLIC SECTOR	733	783	842	989	1199	1276	1354	1160	1252	1311	1356	1289	1238
AAWI (%)	4.7	4.3	4.1	3.8	3.9	3.7	3.6	3.5	3.5	3.4	3.4	3.6	3.6
Employees ('000)	359.3	346.7	377.0	420.6	478.9	469.6	546.3	444.7	438.4	464.0	451.1	478.3	499.5
PRIVATE SECTOR	5063	5481	6150	7259	8555	9457	10136	10345	7950	7025	7357	7126	8542
AAWI (%)	4.3	4.2	4.1	4.1	4.1	4.0	4.0	3.9	3.8	3.7	3.7	3.7	3.7
Employees ('000)	763.0	746.5	820.0	781.2	854.7	879.3	910.5	910.4	941.1	921.9	885.3	807.9	847.3
ALL INDUSTRIES	5796	6264	6992	8248	9754	10733	11490	11505	9202	8336	8713	8415	9780
AAWI (%)	4.4	4.2	4.1	4.0	4.0	3.9	3.8	3.8	3.7	3.6	3.6	3.6	3.7
Employees ('000)	1122.3	1093.2	1197.0	1201.8	1333.6	1349.0	1456.8	1355.1	1379.5	1385.9	1336.5	1286.3	1346.8

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. Agreements are categorised by Industry group according to ANZSIC Division, as defined by the ABS. The Industry groups are:

'Non-metals manufacturing' - ANZSIC Division C (Manufacturing) excluding 'Metals manufacturing'.

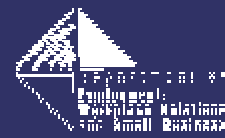
'Metals manufacturing' - ANZSIC Subdivisions 27 and 28.

'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). ANZSIC Divisions A (Agriculture, forestry and fishing) and B (Mining) are not included in the industry groups. They are included in sectoral and all industry totals.

Source: Workplace Agreements Database, DEWRSB, 14 November 2000. All estimates are rounded and are subject to revision. Revisions have been made to historical series.

Trends in enterprise bargaining



INSERT

DECEMBER QUARTER 2000

ISSN 1442-5432

This insert for Trends in Enterprise Bargaining looks at, amongst other things, the effect of major agreements on wage outcomes by sector and by industry group. In this report there are two feature articles. The first provides a snapshot of agreement making in the largest industry grouping - other services, while the second article examines the types of training provisions in agreements.

Average annualised wage increases per employee

As previously mentioned, federal wage agreements formalised in the December quarter 2000 paid an average annualised wage increase (AAWI) of 3.9 per cent per employee, a decrease of 0.2 percentage points from the September quarter. The lower outcome was primarily the result of a 0.5 percentage point fall in the public sector AAWI to 3.8 per cent per employee. While the public sector AAWI for the December quarter has declined relative to the September quarter, it is still higher than any other public sector AAWI recorded since the December quarter 1998. The agreements affecting the public sector AAWI and the private sector agreements that offset the fall in the all sectors AAWI are discussed in more detail below.

The effect of major agreements on wage trends

As shown in Table 1: Large federal agreements certified in the December quarter 2000, there were 73 large agreements (each covering 500 or more employees) approved in the December quarter 2000, compared to 57 large agreements (r) in the previous quarter. This is the highest number of large agreements approved since the March quarter 1996 and the second highest number ever recorded. Even so, these agreements accounted for just over three per cent of all agreements approved in the December quarter 2000 while accounting for 70 per cent of employees. This compares with the September quarter when large agreements accounted for around three per cent of all agreements and 57 per cent of employees.

Six of these 73 large agreements (8 per cent) were agreements identified on the WAD as representing employers and employees entering into registered enterprise bargaining for the first time. These 'first generation' agreements were distributed evenly in the public and private sectors. Two of these first generation agreements dealt with superannuation and workplace amalgamation respectively and had no wages provisions. More than three quarters of all large agreements formalised in the December quarter replaced two or more generations of previous agreements.

In the public sector, the largest wage agreement certified in the December quarter 2000 was the Queensland Public Health Sector Certified Agreement (No.4) 2000. This is a dual jurisdiction agreement with two identical agreements certified in both the federal and Queensland industrial relations commissions. The federal agreement covers the 23 207 Queensland Health Department employees originally covered by federal parent awards - the majority of these are nursing staff. The agreement provides an AAWI of 3.0 per cent with a provision to re-open negotiations in the light of a review monitoring the impact of the introduction of the GST.

The next largest public sector agreement was the Victorian Public Service (Non-Executive Staff - Victoria) Agreement which covered 20 006 employees and granted an AAWI of 4.0 per cent. One percentage point of this increase is dependent on employees achieving a performance rating of satisfactory or higher. The third largest public sector wage agreement was the Telstra Infrastructure Services & Wholesale Enterprise Agreement. This agreement covers 19 677 employees and provides an AAWI of 4 per cent. For this bargaining round Telstra and their employees have certified agreements covering smaller administrative units than previously. In the December 2000 quarter alone, four of these agreements were certified covering a total of 30 879 employees. In the 1998 bargaining round, Telstra and their employees certified just two agreements covering 66 000 employees.

In the private sector, the largest wage agreement in the December quarter 2000 was the Big W Certified Agreement, covering 20 000 employees and granting an AAWI of 3.4 per cent. The St George Bank Employee's Enterprise Agreement and the Optus Employment Partnership Agreement were the next largest private sector agreements. The St George Bank agreement provided for a wage increase of 8.3 per cent over two years, with an extra 2.5 per cent of the salary bill set aside for a performance appraisal increase (or performance pay pool). On average that means the bank's 7 227

Table 1: Large Federal Agreements Certified in December Quarter 2000		Duration (yrs)	Total Wage (%)	AAWI (%)	Emps	WR Act Section	Gener- ation	Notes
Private Sector Large agreements								
Infrastructure Services	Optus Employment Patnership Agreement (2000)	3.0	*	*	6635	170LK	4th	4,5,12,13
	Network Design and Construction Limited 2000 - 2002	1.3	4.0	3.0	5982	170LJ	3rd	
	Higgins Coating Pty Ltd and CFMEU Building and Construction Industry	3.0	15.0	5.0	754	170LJ	3rd	
	TNT Express (Victorian Metro) Enterprise Agreement 2000	1.0	3.0	3.0	523	170LJ	3rd	6
Metals Manufacturing	Gerard Industries Pty Ltd Enterprise Agreement 2000	2.0	6.0	3.0	1130	170LK	5th	
	Ford Australia Enterprise Agreement 2000	3.0	15.0	5.0	4712	Div 3	4th	3,9
	Venture Industries Australia Pty Ltd Enterprise Agreement	1.1	5.3	4.7	560	170LJ	4th	
	The 2000 Certified Agreement - Annualised Salaries for Award Employees at Qld Alumina Ltd	1.0	*	*	635	170LJ	4th	10
	PBR Australia Pty Ltd, Enterprise Bargaining Agreement 2000	3.0	15.3	5.1	818	170LJ	3rd	3
	Tomago Aluminium Company Pty. Limited Enterprise Agreement 2000	2.7	12.0	4.4	760	170LJ	5th	5
	Siemens Ltd (Bayswater) Enterprise Bargaining Agreement 2000	2.8	15.0	5.5	526	170LJ	3rd	
	Robert Bosch (Australia) Pty Ltd Certified Agreement 2000	2.8	15.0	5.5	1800	170LJ	4th	
Non-metals Manufacturing	Goodman Fielder Baking (Victoria) Agreement 2000	2.6	10.5	4.0	1100	Div 3	5th	16
	Arnott's Limited - Sales Support Certified Agreement	2.0	*	*	547	170LJ	4th	10
	Oakey Abattoir and AMIEU Certified Agreement 1999	2.0	3.0	1.5	590	170LJ	3rd	1,2
	John Fairfax Group - Journalists Certified Agreement - 2000	3.0	8.9	3.0	1282	Div 3	2nd	1,2,3,7,13
	Godfrey Hirst and TCFUA Certified Agreement 2000	1.0	5.0	5.0	556	170LJ	3rd	
Ricegrowers' Co-operative Limited Workplace Improvement Agreement	2.0	8.0	4.0	846	170LJ	4th		
Other Services	BIG W Certified Agreement 2000	3.0	10.1	3.4	20000	170LJ	3rd	11
	Bunnings Warehouse Enterprise Agreement 2000	3.0	12.0	4.0	6392	170LJ	3rd	1
	Electrical Wholesaling (Metal Manufacturing Limited) Agreement 2000	3.1	12.0	3.8	1051	170LJ	2nd	
	Hella Australia Pty Ltd Enterprise Agreement 2000 - 2003	2.8	12.0	4.4	504	170LJ	5th	
	Red Rooster Foods Agreement 2000	3.0	11.9	4.0	4490	170LJ	2nd	14
	Food and Beverage Industry - McDonald's - Australian Capital Territory - 2000	1.0	3.4	3.4	1024	170LC	2nd	
	Early Childhood Teachers Multi-Employer Certified Agreement 2000	1.8	6.0	3.3	1522	170LC	4th	
	Croft Health Care and Ellfam Nominees and HSUA(Vic No1 Branch) Agreement 2000	1.2	*	*	500	170LJ	1st	10
	St John's Hospital (Transfer) Agreement 2000	1.0	*	*	923	170LJ	3rd	8
	Bank of Queensland Certified Agreement 2001	3.0	11.0	3.7	676	170LJ	3rd	1,2,4,13
	St. George Bank Employees' Enterprise Agreement 2000	2.0	10.8	5.4	7227	170LJ	5th	1,2,4,13
	UCMS Certified Agreement 2000	2.5	7.0	2.8	768	170LK	1st	
	AWU - Sea World Agreement 2000	1.5	8.0	5.2	550	170LJ	6th	
	Mistearl Pty Ltd (Superannuation) Certified Agreement 2000	2.9	*	*	592	170LK	1st	8
Total Large Private Sector Agreements		2.6			75975	66643	3.9	

Source: Workplace Agreements Database, DEWR/SB

- Notes:
1. Part or all of the wage increase is awarded on meeting defined targets
 2. Individual performance assessed and remunerated
 3. One-off bonus available
 4. Performance pay 'pool' in place
 5. Additional performance pay available
 6. Parties to review the effect of CPI
 7. Employees will receive a part of any profits made during the agreement
 8. Conditions only agreement - No wage provisions eg. Redundancy or Superannuation agreement
 9. Extra Wage increases if CPI is greater than Wage increases
 10. Wage increases not quantifiable as they vary across levels, or depend on individual, company and market performance.
 11. Pay increases are non cumulative
 12. CPI passed on in part or in full
 13. Employee Share Ownership Scheme in place
 14. Pay increases vary across classification structure. Wage increases at mean/modal value.
 15. Duration and AAWI are weighted by quantifiable emps. Total employee nos. include all large agr'ts (inc non-quantifiable agr'ts)
 16. Employees are eligible for Safety Net, Safety Net automatically passed on or conditionally passed on
 17. Known or probable Dual Jurisdiction agreement. Some of the employees are under an identical State agreement
 18. New Vic Gov has varied previous TAFE Framework agreement. Wages operate to early 2000
 19. Generation numbers start as the first agreement in the series is certified in the federal jurisdiction (or in the case of APS agreements with the first agreement certified after C0993 which covered all APS agts.)

Table 1: Large Federal Agreements Certified in December Quarter 2000 (continued)							Duration (yrs)	Total Wage (%)	AAWI (%)	Emps	WR Act Section	Gener- ation	Notes				
Public Sector Large agreements																	
Infrastructure Services	State Rail Authority of NSW - Cityrail Stations Wages Functional Agreement 2000	2.4	8.0	3.3	2637	Div 3	7th										
	State Rail Authority of NSW Passenger Fleet Maintenance Depots Functional Agreement 2000	2.4	8.0	3.3	587	Div 3	7th										
	State Rail Authority of NSW Salaried City Rail Stations Functional Agreement 2000	2.4	8.0	3.3	902	Div 3	7th										
	Public Transport (Victoria) Enterprise Agreement 2000	1.0	3.0	3.0	9629	170LJ	5th										
	National Express Group Australia (Swanston Trams) Agreement 2000 - 2003	3.5	13.0	3.8	691	170LJ	5th	1,9									
	National Express Group Australia (Bayside Trains) Agreement 2000 - 2003	3.0	13.0	4.3	996	170LJ	5th	1									
	National Express Group Australia (V/Line) Passenger Agreement 2000 - 2003	3.0	13.0	4.3	601	170LJ	5th	1									
	Connex Trains Melbourne Enterprise Agreement 2000 - 2003	3.0	13.0	4.3	790	170LJ	5th										
	Telstra Onair Business Unit Enterprise Agreement 2000	2.0	8.0	4.0	892	170LJ	4th										
	Retail Service Business Unit Enterprise Agreement 2000	2.0	8.0	4.0	8063	170LJ	4th										
Infrastructure Services & Wholesale Enterprise Agreement 2000	2.0	8.0	4.0	19677	170LJ	4th											
Corporate Group Business Unit Enterprise Agreement 2000	2.0	8.0	4.0	2247	170LJ	4th											
Other Services	University of Wollongong (Academic Staff) Enterprise Agreement 2000 - 2003	3.4	12.3	3.6	1084	170LJ	4th	3									
	Charles Sturt University (Academic Staff) Enterprise Agreement 2000 - 2003	2.7	12.3	4.6	1760	170LJ	4th	3									
	James Cook University Enterprise Bargaining Agreement 2000	3.0	12.0	4.0	2004	170LJ	4th										
	Edith Cowan University Academic Staff	2.6	14.0	5.4	828	170LJ	4th	1									
	University of South Australia Academic and General Staff Enterprise Agreement 2000	3.2	12.0	3.7	2453	170LJ	4th										
	Queensland University of Technology Enterprise Bargaining Agreement Academic Staff 2000 - 03	3.8	12.3	3.2	2180	170LJ	4th										
	Murdoch University (Academic Staff) Enterprise Agreement 2000	2.5	12.6	5.0	500	170LJ	4th										
	Australian National University Enterprise Agreement 2000 - 2003	3.5	12.5	3.6	4058	170LJ	4th	3									
	Kangan Batman Institute of TAFE Teachers' Certified Agreement 2000	2.2	13.6	6.3	710	170LJ	2nd	18									
	Royal Melbourne Institute of Technology TAFE Teaching Staff Enterprise Agreement 2000	2.4	13.6	5.8	852	170LJ	2nd	18									
	Swinburne University of Technology TAFE Teachers' Certified Agreement 2000	2.3	13.6	5.9	741	170LJ	2nd	18									
	Northern Melbourne Institute of TAFE Teaching Staff Certified Agreement 2000	2.2	13.6	6.1	743	170LJ	1st	18									
	Chisholm Institute of TAFE Teaching Staff Certified Agreement 2000	2.3	13.6	5.9	1706	170LJ	1st	18									
	Chisholm Institute of TAFE PACCT Staff Certified Agreement 2000	2.7	11.0	4.1	550	170LJ	2nd										
Queensland Public Health Sector Certified Agreement (No.4) 2000	2.2	6.5	3.0	23207	Div 3	3rd	17										
Public Administration and Defence	Victorian Public Service [Non executive Staff - Victoria] Agreement 2000	1.0	4.0	4.0	20006	170LJ	1st	1,2,3,4									
	TAC Enterprise Agreement 2000 - 2002	2.0	6.0	3.0	520	170LJ	2nd	1,3,5									
	National Library of Australia Certified Agreement 2000 - 2002	1.6	7.0	4.5	523	170LJ	2nd	19									
	Attorney General's Department Agreement 2000	1.7	9.0	5.2	581	170LK	3rd	3,19									
	Australian Agency for International Development Certified Agreement 2000 - 2003	3.0	10.0	3.3	600	170LJ	2nd	2,3,19									
	Department of Communications, Information Technology and the Arts Agreement 2000 -2003	1.8	7.0	3.9	505	170LJ	3rd	3,5,19									
	Department of Industry, Science and Resources Certified Agreement 2000 -2003	3.0	10.0	3.3	1368	170LK	3rd	19									
	Securing our Future - DETYA Certified Agreement 2000	2.1	9.0	4.3	1415	170LJ	3rd	3,19									
	Rockhampton City Council Enterprise Bargaining Agreement 2000	1.0	4.0	4.0	675	Div 3	3rd	17									
	Maroochy Shire Council Certified Agreement 2000	2.0	8.0	4.0	1053	Div 3	3rd	1,3,16									
	Gold Coast City Council Enterprise Agreement (Federal) 2000	3.0	9.2	3.1	1448	Div 3	4th	9									
	Ipswich City Council Certified Enterprise Agreement 2000	2.0	6.8	3.4	1159	Div 3	5th	17									
	Maribyrnong City Council Enterprise Agreement 2000	2.5	6.8	2.7	535	170LJ	4th	1									
	Best Value Victoria Principles	1.1	*	*	814	170LJ	3rd	8									
Q emps AAWI																	
Total Large Public Sector Agreements											2.0		122290	121476	3.8	15	
Total Large Agreements											2.2		122290	121476	3.8	15	

Source: Workplace Agreements Database, DEWR/SB

Notes: 1. Part or all of the wage increase is awarded on meeting defined targets

2. Individual performance assessed and remunerated

3. One-off bonus available

4. Performance pay 'pool' in place

5. Additional performance pay available

6. Parties to review the effect of CPI

7. Employees will receive a part of any profits made during the agreement

8. Conditions only agreement - No wage provisions eg. Redundancy or Superannuation agreement

9. Extra Wage increases if CPI is greater than Wage increases

10. Wage increases not quantifiable as they vary across levels, or depend on individual, company and market performance.

11. Pay increases are non cumulative

12. CPI passed on in part or in full

13. Employee Share Ownership Scheme in place

14. Pay increases vary across classification structure. Wage increases at mean/modal value.

15. Duration and AAWI are weighted by quantifiable emps. Total employee nos. include all large agr'ts (inc non-quantifiable agr'ts)

16. Employees are eligible for Safety Net, Safety Net automatically passed on or conditionally passed on

17. Known or probable Dual Jurisdiction agreement. Some of the employees are under an identical State agreement

18. New Vic Gov has varied previous TAFE Framework agreement. Wages operate to early 2000

19. Generation numbers start as the first agreement in the series is certified in the federal jurisdiction

(or in the case of APS agreements with the first agreement certified after C0993 which covered all APS agts.)

employees will receive an AAWI of 5.4 per cent per employee of which 1.25 percentage points will be dependent on performance assessments. The total pay increase provided by Optus to its 6 635 employees was not able to be quantified as the increases, to be paid on 1 July in each of the three years the agreement operates, will be determined on the basis of the Treasury forecast for headline CPI at April of each year (this CPI clause is identical to that provided by the previous Optus agreement). Optus also provide a performance pay pool of 2 per cent of employee remuneration costs to cover annual performance based remuneration. In addition, employees are eligible 'under advantageous arrangements' to acquire shares as part of the company's annual incentive awards.

In the March quarter 2001, 28 large agreements covering 65 304 employees will expire. This is far fewer than the 63 agreements covering 198 981 employees that expired in the December quarter 2000. The large number of employees covered by the December quarter 2000 expiring large agreements is partly attributable to the Telstra agreements discussed above. The high number of large agreements expiring in the December quarter 2000 reflects seasonal patterns of expiry and renegotiation. The expiry of these large agreements, quite apart from determining the number of employees covered by current agreements, can have a significant impact on the all current agreements AAWI series. While most very large agreements are renegotiated, there is often a time lag between expiry, renegotiation and certification.

Of the 21 large agreements expiring in the March quarter 2001, seven are large finance and insurance division agreements. These agreements cover 31 006 employees - by far the most significant number of employees covered by agreements expiring in the March quarter 2001. While these seven current agreements provide wage outcomes ranging from 2.4 to 5.6 per cent per annum per employee, more than three quarters of employees covered by these agreements receive AAWIs of around 4.1 per cent.

The second most significant division of expiring large agreements in the March quarter 2001 is education. Two education agreements are due to expire in the March quarter covering 14 600 employees. More than 80 per cent of the employees covered by these agreements receive AAWIs of around 4.0 per cent.

The third significant division of agreements expiring in the March quarter 2001 is the personal and other services division. While only one large agreement expires in this division during the March quarter, this agreement covers 4 520 employees and is one of the most significant private sector correctional services agreements recorded on the WAD. This agreement awarded wage increases in accordance with National Wage Case decisions over the three years of the agreement.

Two large agreements expire in the March quarter 2001 in accommodation, cafes and restaurants division. These agreements cover a total of 2 620 employees and provide AAWIs that range between 2.0 and 2.5 per cent.

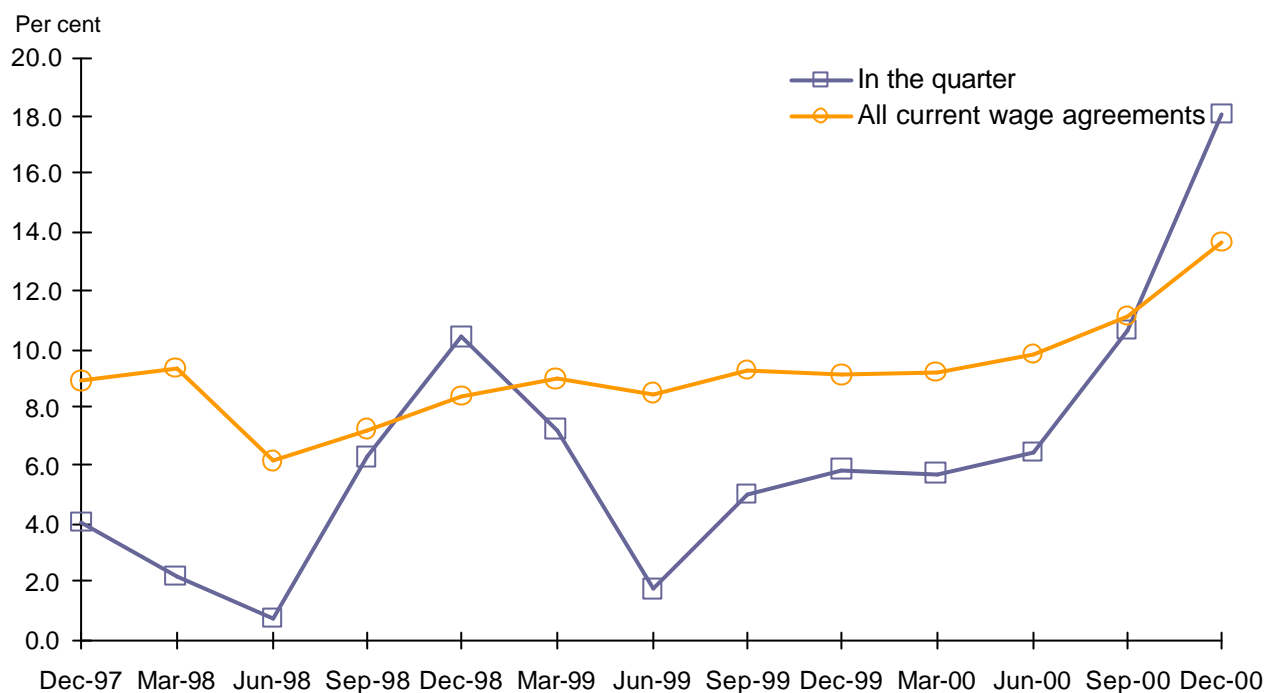
Average annualised wage increases per agreement

Federal wage agreements formalised in the December quarter 2000 paid an AAWI per agreement of 4.6 per cent, up by 0.3 percentage points from the September quarter 2000 figure. Private sector wage agreements paid an AAWI of 4.7 per cent per agreement in the December quarter 2000, while public sector wage agreements paid average annual increases of 3.9 per cent per agreement. In the December quarter 2000, the relatively high AAWI per agreement for the all sector and private sector reflects the certification of a large numbers of pattern bargaining agreements with AAWIs of 5 per cent. The impact of these agreements, which cover a very small proportion of the total number of employees under agreements certified in the quarter, illustrate the limitations of this indicator.

Inflation-related clauses in agreements

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 where CPI increases are higher than anticipated. The historical application of these CPI related wage clauses in certified agreements, is indicated in Chart 1.

Chart 1: Proportion of employees covered by wage agreements with CPI related clauses



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

Source: Workplace Agreements Database, DEWRSB.

The proportion of all employees covered by current federal wage agreements, whose agreements include any type of CPI related wage clause, was 13.6 per cent at the end of the December quarter 2000, up 2.5 percentage points from the September quarter (r). However, only 1.2 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. These employees are the most likely to have wage outcomes affected by the CPI. Most clauses allow for partial absorption of CPI movements or allow only for an agreement to be reviewed in light of CPI movements.

Of all employees covered by wage agreements formalised in the December quarter 2000, 18.1 per cent were covered by an agreement that contained a CPI related wage clause, up from 10.9 per cent in the September quarter. Chart 1 illustrates the often fluctuating nature of this quarterly indicator. This quarter's increase is mainly due to the certification of the Queensland Public Health Sector Certified Agreement (No.4) 2000 covering 23 207 employees, which contains a re-opening clause. Of employees covered by agreements containing CPI related clauses in the December quarter, around 64 per cent were covered by agreements with re-opening clauses. A further 7 per cent were covered by agreements with partial absorption clauses - which normally leave wage increases unchanged unless CPI increases are greater than the wage increases provided by the agreement and 15 per cent were covered by automatic clauses. The remainder were covered by agreements containing a formula accounting for net CPI or GST changes.

The number of agreements containing CPI related clauses has fallen. A total of 261 agreements certified in the December quarter 2000 contained such clauses compared with a total of 294 in the September quarter. As a proportion of agreements certified in the quarter, those with CPI related wage clauses accounted for 11.4 per cent in the December quarter compared to 15 per cent (r) in the September quarter.

CPI related wage clauses are more common in particular industries. Thus, for agreements certified in the December quarter, 44 per cent of the agreements containing CPI clauses (covering 3 per cent of all employees covered by such clauses in the quarter) were from the construction industry, 21 per cent (covering 6 per cent of employees) were from transport and storage and 15 per cent (covering 17 per cent of employees) were from manufacturing. The large public sector agreement mentioned above contributed to 2 per cent of agreements with CPI related clauses being from health and community services, covering 48 per cent of employees covered by such clauses.

WAGE TRENDS BY SECTOR

Private sector wage trends

At least 2 102 federal private sector wage agreements, covering an estimated 139 400 employees, were certified by the AIRC in the December quarter 2000. This represents an increase of around 18 per cent in agreements and 46 per cent in employees covered by these agreements when compared to the September quarter 2000. On average, private sector agreements certified in the December quarter paid an AAWI of 4.1 per cent per employee, up 0.2 percentage points from the September quarter.

The slight rise in the private sector AAWI was influenced by shifts in the manufacturing division and retail trade division. These industry divisions displayed higher AAWI figures when compared to the September quarter 2000, increasing by 0.4 percentage points for manufacturing and 0.5 percentage points for retail trade, and increasing the aggregate private sector AAWI. This effect was compounded by increased employee coverage in both industry groups; coverage in retail trade was more than three times the September quarter figure, while manufacturing agreements covered almost twice as many employees in the December quarter 2000. Large agreements also contributed to a higher aggregate AAWI in the manufacturing sector. Of the 14 agreements covering 500 or more employees in this division (see Table 1), nine had AAWIs of 4.0 per cent or higher and covered a total of 11 678 employees.

The AAWI for all private sector agreements current at 31 December 2000 was 3.7 per cent per employee unchanged from the September quarter 2000.

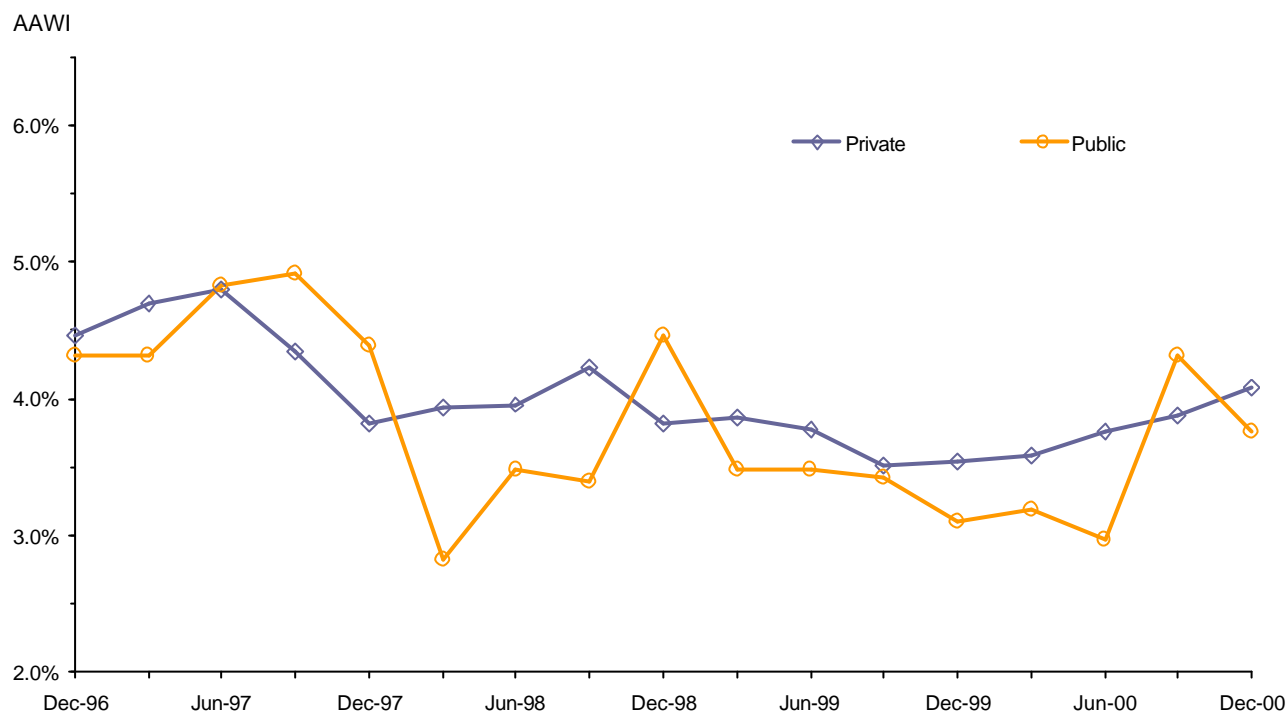
Public sector wage trends

In the December quarter 2000, the AIRC formalised 196 federal wage agreements in the public sector, covering an estimated 137 600 employees. These agreements allowed for an AAWI of 3.8 per cent per employee, down from the previous quarter's result of 4.3 per cent. The drop in the AAWI figure was a partial reversal of the high September quarter figure, in which three large agreements had a strong influence on the public sector AAWI.

The decrease in the public sector AAWI in the December quarter was also partly due to changes in the communication services, government administration and defence divisions. The AAWI for government administration and defence fell by 0.9 percentage points to 3.8 per cent for the December quarter. Despite employee coverage in this division decreasing by 34 per cent to an estimated 38 700 employees, it still comprised 28 per cent of employees covered by public sector agreements certified in the December quarter, ensuring a significant impact on overall AAWI figures. Communication services exhibited a smaller shift in its AAWI result, increasing 0.3 percentage points to 3.8 per cent. However, the communication services division is significant due to the absence of public sector agreements in this division in the September quarter 2000. A ll 30 900 employees covered in the December quarter are a new influence to AAWI figures.

For all federal public sector wage agreements current at 31 December 2000, the AAWI per employee was 3.6 per cent, unchanged from the previous quarter.

Chart 2: Quarterly federal wage trends, by sector



Source: Workplace Agreements Database, DEWRSB

WAGE TRENDS IN KEY INDUSTRIES

Table A (see final page) shows quarterly movements in average annualised wage outcomes for the five main industry groups since the December quarter 1997.

As can be seen from Table A, the AAWIs per employee in each of the five industry groups varied when compared to the previous quarter's results. Government administration recorded the largest movement again this quarter with the AAWI dropping 0.9 percentage points. The metals manufacturing industry increased 0.5 percentage points, non-metal manufacturing and other services industries increased by 0.2 and 0.3 percentage points respectively, while infrastructure services fell by 0.3 percentage points.

Infrastructure services

Average wage outcomes in this broad industry group in the December quarter 2000 measured 3.9 per cent per employee, down from 4.2 per cent in the September quarter. The number of wage agreements formalised in the quarter rose to 1424, while employee coverage tripled to an estimated 85 200 employees. In the September quarter 2000 there were 10 large agreements covering 13 412 employees, while in the December quarter 2000 there were 16 large agreements covering 61 606 employees. The communication industry experienced a large increase in the number of employees covered by agreements this quarter, mainly due to four Telstra agreements, covering a combined 30 879 employees and the Optus Employment Partnership agreement covering 6 635 employees.

AAWIs within the industry group included: 3.4 per cent for transport and storage (down from 3.7 per cent recorded in the previous quarter); 3.8 per cent for electricity, gas and water supply (down from 4.2 per cent); 4.9 per cent for construction (up from 4.8 per cent); and 3.8 per cent for communications service industry (up from 3.5 per cent).

Government administration

The AAWI per employee in government administration decreased to 3.8 per cent for the December quarter 2000, from 4.7 per cent in the September quarter. Two large agreements had elevated the September quarter result. The number of wage agreements formalised in this industry decreased from 104 (r) in the September quarter to 95 in the December quarter and the number of employees covered decreased to an estimated 38 700.

Other services

In the other services industry group, the AAWI per employee rose from 3.5 per cent in the September quarter to 3.8 per cent in the December quarter 2000. Within this industry group the major AAWI increases were in the retail trade and the education industries, which recorded increases of 0.5 and 0.8 percentage points respectively in the December quarter 2000. AAWIs for accommodation, cafes restaurants, and wholesale trade decreased by 0.7 and 0.6 percentage points respectively. The number of wage agreements formalised in other services decreased from 276 agreements (r) in the September quarter 2000 to 237 agreements in the December quarter, while employee coverage increased from an estimated 68 000 (r) in the September quarter 2000 to 106 200 in the December quarter. For more information on the other services industry group, see the feature article in this insert.

Metals manufacturing

The number of wage agreements formalised in this industry group increased from 183 agreements (r), covering an estimated 12 000 employees (r) in the September quarter 2000, to 239 agreements, covering an estimated 24 600 employees in the December quarter. The metals manufacturing wage agreements formalised in the December quarter granted an AAWI of 4.6 per cent per employee, up from 4.1 per cent in the September quarter.

Non-metals manufacturing

Non-metals manufacturing wage agreements for the December quarter 2000 granted an AAWI of 3.9 per cent per employee, up from 3.7 per cent in the September quarter. The number of wage agreements formalised in the quarter rose from 217 (r) in the September quarter to 247 in the December quarter, with an increase in employee coverage from an estimated 14 200 employees (r) to an estimated 19 700 employees.

FEDERAL AGREEMENT MAKING IN OTHER SERVICES

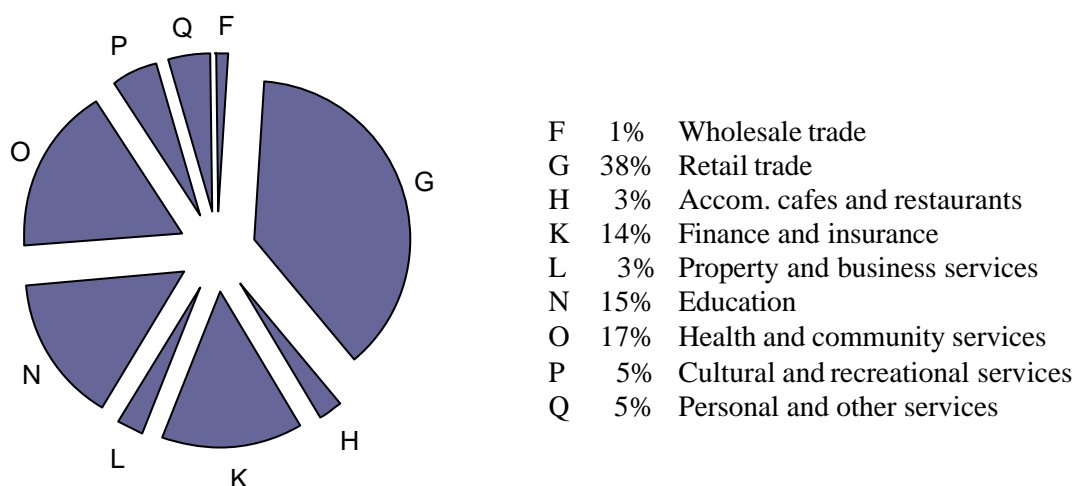
This article provides a snapshot of federal agreement making in the "other services" industries. This group comprises wholesale trade; retail trade; accommodation, cafes and restaurants; finance and insurance; property and business services; education; health and community services; cultural and recreational services; and personal and other services.

Other services is one of the largest classification groups for federal wage agreements. All current federal wage agreements at 31 December 2000 totalled 9 780 and covered an estimated 1 346 000 employees. Of these, 1906 - over 19 per cent - were classified as other services. These agreements covered an estimated 652 700 employees, 48.5 per cent of all employees under current federal wage agreements.

Chart 3 illustrates the industry distribution of employees covered by current federal wage agreements within the classification other services. Agreements in the retail trade industry cover the highest proportion of employees (38 per cent), followed by health and community services (17 per cent), education (15 per cent) and finance and insurance (14 per cent).

Just under one-third (32.6 per cent) of current agreements in other services (covering 19.4 per cent of employees covered by current agreements in that classification) are agreements made directly between employers and their employees and certified under section 170LK of the Workplace Relations Act 1996 (WR Act). By comparison, current federal wage agreements at 31 December 2000, 16.6 per cent were certified under section 170LK. These agreements covered 9.4 per cent of all employees covered by federal wage agreements.

Chart 3: Distribution of "other services" employees covered by current federal wage agreements as at 31 December 2000



Source: Workplace Agreements Database, DEWRSB.

Note: Percentages have been rounded.

An average annualised wage increase (AAWI) per employee of 3.6 per cent was granted by current wage agreements in other services, compared to an AAWI per employee of 3.7 per cent for all current federal wage agreements. The article compares AAWIs for employees covered by all current federal wage agreements, those in other services and each of the industries which make up this classification.

During the December quarter 2000 the AIRC formalised 237 agreements in other services, covering 106 200 employees. This represented over 10 per cent of wage agreements certified in the quarter and 38 per cent of employees covered. The AAWI per employee for all agreements certified in the quarter was only marginally higher, at 3.9 per cent, than the AAWI per employee for other services, at 3.8 per cent.

Industry Breakdown

For each industry within the other services classification the number of agreements, employee coverage and AAWI for all current federal wage agreements and for agreements certified in the December quarter 2000 are examined.

Wholesale trade

Less than one per cent of employees covered by federal wage agreements were in wholesale trade. There were 98 current wage agreements at 31 December 2000, these covered an estimated 7 800 employees and provided an AAWI per employee of 3.5 per cent. Of the current agreements in this industry 23 per cent were certified under section 170LK of the WR Act.

In the December quarter 2000, 13 agreements in this industry were certified by the AIRC, covering an estimated 2 300 employees. These agreements granted an AAWI per employee of 3.9 per cent.

Retail trade

At 31 December 2000 there were 243 current wage agreements in this industry accounting for only 2.5 per cent of all current federal wage agreements. However, these agreements covered an estimated 245 600 employees (18.2 per cent) and provided an AAWI per employee of 3.5 per cent. The vast majority of current agreements in this industry were within the private sector, with only two agreements in retail trade being in the public sector (including a public sector plant nursery). Of all employees covered by federal agreements in the other services classification, 38 per cent were located in the retail trade industry.

By far the largest current agreement in this industry was the Coles Supermarkets Australia Retail Agreement, which awarded an AAWI of 4.2 per cent to an estimated 43 900 employees. This agreement runs for over five years, expiring

in January 2002. Other large current agreements granting AAWIs closer to this industry's average of 3.5 per cent were: the Woolworths Supermarkets - NSW/ACT Agreement (3.7 per cent to an estimated 24 300 employees); the Big W Agreement certified in the December 2000 quarter (3.4 per cent to an estimated 20 000 employees); the Safeways (Vic) Agreement (3.3 per cent to just over 20 500 employees); the Kmart Agreement (3.2 per cent to an estimated 23 000 employees); and the Myer Grace Bros Agreement (3.0 per cent to an estimated 24 000 employees).

Just over half of current agreements in retail trade were 170 LK agreements. These were mainly small agreements and covered only 3 per cent of employees under federal wage agreements in the retail sector.

During the December quarter 2000, 28 agreements were certified in this industry covering an estimated 34 400 employees. The AAWI per employee for these agreements was 3.6 per cent.

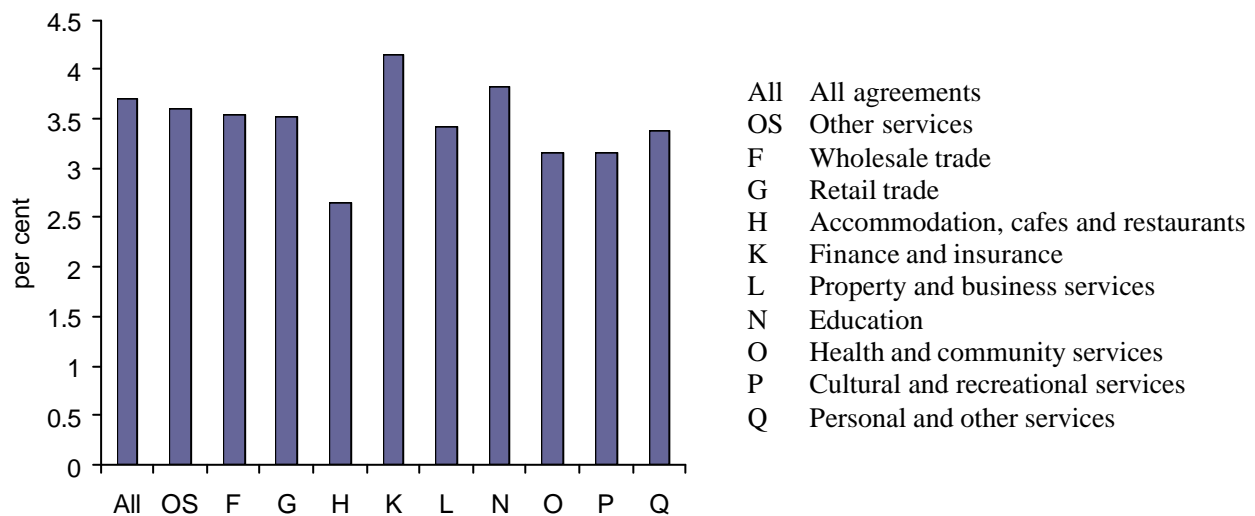
Accommodation, cafes and restaurants

At 31 December 2000 there were 131 current federal wage agreements in accommodation, cafes and restaurants and these covered an estimated 17 100 employees (1.3 per cent of employees covered by current federal wage agreements). This industry accounted for around 3 per cent of employees in the other services classification. Only one current agreement in this industry was in the public sector.

The AAWI per employee for current agreements in this industry was 2.7 per cent, significantly lower than for all federal wage agreements, as illustrated by Chart 4. Current federal wage agreements certified under section 170LK covered one-third of employees in this industry, representing 45 per cent of agreements current in the industry.

There were 12 agreements certified in the December quarter 2000 covering 1 100 employees and providing an AAWI per employee of 3 per cent.

Chart 4: AAWI per employee for federal wage agreements current at 31 December 2000



Source: Workplace Agreements Database, DEWRSB

Finance and insurance

At 31 December 2000 there were 82 current federal wage agreements in the finance and insurance industry covering just over 94 400 employees (7 per cent of all employees covered by current federal wage agreements). This represented 14 per cent of employees covered by current agreements within other services. These agreements delivered an AAWI per employee of 4.1 per cent, which Chart 4 shows is significantly higher than the AAWI per employee for all current agreements both overall and within the other services category. Ninety per cent of current agreements in this industry were in the private sector.

For the finance and insurance industry 35 per cent of current wage agreements were certified under section 170LK and these agreements cover 14 per cent of employees.

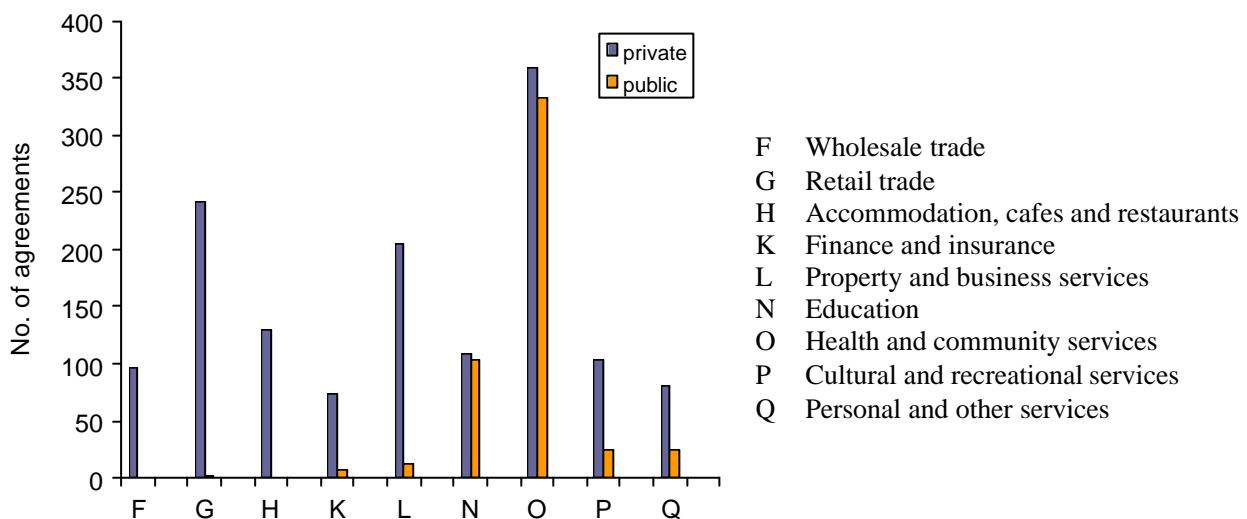
During the December quarter 2000 the AIRC certified 11 agreements in this industry, covering an estimated 9 000 employees which delivered a 5.1 per cent AAWI. This AAWI was 1.2 percentage points higher than the 3.9 per cent delivered for all agreements certified during the December quarter. This can be partly attributed to the St George Bank agreement which provides for an AAWI per employee of 5.4 per cent to an estimated 7 200 employees.

Property and business services

At 31 December 2000 there were 217 current agreements in this industry, covering an estimated 18 000 employees (1.3 per cent of all employees covered by current federal wage agreements). These agreements awarded an AAWI per employee of 3.4 per cent and represented 3 per cent of employees under agreements in the other services category. Of these current agreements 47 per cent were section 170LK agreements and these covered 45 per cent of federal agreement covered employees within the property and business services industry. Of the current federal wage agreements in this industry, 205 were within the private sector and 12 were within the public sector.

During the December quarter 2000, the AIRC certified 31 agreements in this industry, covering an estimated 2 600 employees. These agreements awarded an AAWI per employee of 3.3 per cent.

Chart 5: Current federal wage agreements within "other services" by public and private sector - 31 December 2000



Source: Workplace Agreements Database, DEWRSB

Education

At 31 December 2000 there were 212 current federal wage agreements in this industry covering an estimated 97 200 employees (7.2 per cent of all employees covered by current federal wage agreements). This represented 15 per cent of employees under federal wage agreements in the other services category. These current agreements delivered an AAWI per employee of 3.8 per cent, slightly higher than the AAWI per employee of 3.7 per cent for all sectors shown in Chart 4.

Current wage agreements in the education industry were fairly evenly divided between the private and public sectors, which contained 51 and 49 per cent respectively. Current wage agreements that were certified under section 170LK covered 5.4 per cent of employees under federal wage agreements in this industry.

In the December quarter 2000 the AIRC certified 56 agreements in this industry and these delivered an AAWI per employee of 4.4 per cent significantly higher than the AAWI per employee of 3.9 per cent delivered by all agreements certified during the quarter.

Health and community services

At 31 December 2000 there were 691 current federal wage agreements in this industry covering an estimated 112 800 employees (8.4 per cent of all employees covered by current federal agreements) and accounting for 17 per cent of employees covered within the other services category. These current agreements awarded an AAWI per employee of 3.2 per cent. Just over half of these agreements were in the public sector, the highest proportion for the industries within other services as illustrated by Chart 5. Of all current wage agreements in this industry 15 per cent were certified under section 170LK, covering 8 per cent of employees in the industry. More than half of employees covered by current federal wage agreements in the health and community services sector are covered by 200 agreements that were certified under section 170LN of the WR Act ie. agreements made in order to settle an industrial dispute.

During the December quarter 2000 the AIRC certified 49 agreements covering an estimated 27 500 employees in the health and community services industry and these agreements granted an AAWI per employee of 3.1 per cent.

Cultural and recreational services

At 31 December 2000 there were an estimated 30 300 employees within cultural and recreational services (2.3 per cent of all employees covered by current federal agreements) who were covered by 127 current federal wage agreements. These agreements delivered an AAWI per employee of 3.1 per cent. Of these agreements, 103 were located within the private sector and 24 were within the public sector. Forty per cent of agreements in this industry were certified under section 170LK of the WR Act, covering 13 per cent of employees. Employees covered by federal wage agreements in this industry made up only 5 per cent of those within the other services classification.

Of agreements certified during the December quarter 2000, 23 were within the cultural and recreational services industry and covered an estimated 2 100 employees. These agreements awarded an AAWI per employee of 3.9 per cent.

Personal and other services

At 31 December 2000 there were 105 current federal wage agreements within this industry delivering an AAWI per employee of 3.4 per cent to an estimated 29 500 employees (2.2 per cent of all employees covered by current federal agreements). Of these agreements, 76 per cent were within the private sector. Employees covered by federal wage agreements in this industry made up only 5 per cent of those within the other services classification. Of the 105 agreements, 25 per cent were certified under section 170LK and these covered 44 per cent of federal agreement covered employees within the industry.

During the December quarter 2000, 14 agreements were certified covering an estimated 800 employees. These agreements delivered an AAWI per employee of 3.6 per cent.

Note: For further information regarding this article please contact Susan Haddrick (02) 6121 7757.

TRAINING PROVISIONS IN FEDERAL CERTIFIED AGREEMENTS

Training arrangements are an important consideration for all workplaces. They can improve productivity through the formation and retention of workplace skills, promote the flexible deployment of labour and foster career development for employees.

The latest Enterprise Bargaining Report, covering agreements certified between 1998 and 1999, indicated that training arrangements were included in approximately 82 per cent of federal agreements, making it the second most common condition of employment addressed in agreements. Training provisions in certified agreements most commonly take two distinct forms:

- general training arrangements (GTAs) which often cover all employees in respect to skills which need to be developed to conduct every-day tasks (in just under three quarters of agreements); and
- entry-level training arrangements which are more specifically tailored in relation to apprentice and trainee training (in almost a half of agreements).¹

This article is primarily concerned with the first type of provision (GTAs). It provides analysis of some of the training arrangements that are found in federal certified agreements, comparing trends in workplace training arrangements over the last three years with a focus on training in relation to operational activities and career development processes.

The agreements that form the basis of the following analysis were certified between January 1998 and September 2000.

General overview of training provision in agreement making

The types of GTAs analysed are:

- a commitment to training, including both a commitment by employers to provide training as well as an employee obligation to participate in training for the benefit of the employer;
- the existence of a training consultative committee with both employer and employee representation;
- payment of allowances or reimbursement for training related expenses;
- a training programme, scheme or plan or a commitment to implement one during the life of the agreement;
- a process for the assessment or review of skills possessed by employees; and
- types of training.

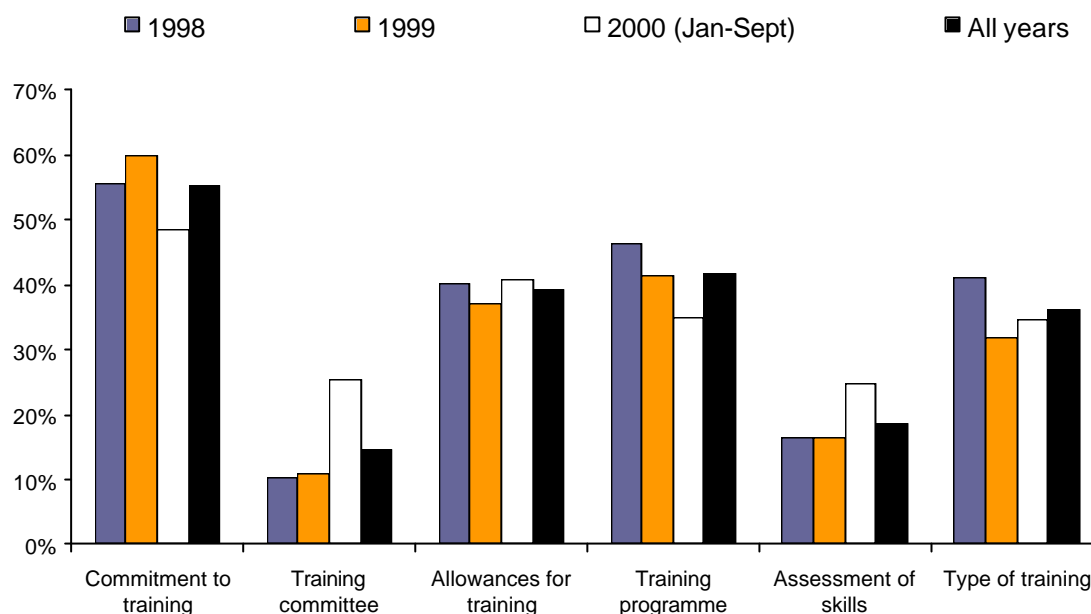
Between 1 January 1998 and 30 September 2000, approximately 18 000 federal collective agreements, covering approximately 2 188 900 employees, were certified. Almost three-quarters (74 per cent) of these agreements (77 per cent of employees) contained at least one of these GTAs.

This trend has remained relatively unchanged when looking at the agreements certified in each year. In 1998, 1999 and the first three quarters of 2000, the percentage of agreements with at least one GTA is 72 per cent, 70 per cent and 75 per cent, respectively. Employee coverage over the same period is 70 per cent, 75 per cent and 77 per cent, respectively.

Chart 6 below illustrates the incidence of GTAs as a percentage of agreements certified in each year, as well as the overall average.

¹ Agreement Making in Australia under the Workplace Relations Act 1998 and 1999, Department of Employment, Workplace Relations and Small Business, p 51

Chart 6: General Training Arrangements in agreements certified between January 1998 and September 2000



Source: Workplace Agreements Database, DEWRSB

Just over half of the agreements certified between January 1998 and September 2000, could be defined as small business agreements ². Not only is this the most common type of agreement made, it is also the most likely type of agreement to contain training provisions. This is illustrated by Table 2 below.

Table 2: Percentage of agreements certified between January 1998 and September 2000 with individual training provisions, by size

Employees	Agreements	Consultative committee %	Training plan ¹ %	Skills assessment %	Statement of commitment %	Costs and allowances %	Type of training %
1 - 19	9 751	18	49	15	58	50	37
20 - 99	5 461	10	33	21	52	27	35
100 - 499	2 244	10	35	26	51	25	35
500 or more	562	9	36	30	56	28	38
All agreements	18 018	15	42	19	55	39	36

Notes: 1. Training plan proportions include agreements which contained a commitment to introduce a training plan, as well as those which detail an actual plan.

Source: Workplace Relations Database, DEWRSB.

Commitment to training, training committees and related allowances are matters that are frequently provided for in awards. The fact that they are also provided for in agreements at the levels indicated in the chart above suggest that there is a significant level of support by the industrial parties for training activities at the workplace and enterprise levels.

² These workplaces employ between 1 and 19 employees.

The following three GTAs have been analysed in more detail as they are areas where it is more likely that enterprise specific approaches have been employed.

Training programmes, schemes or plans

Training programmes or plans are a proactive approach to recognising the ability of a well-trained work force to keep ahead of competition and maintain a strategic advantage. These training schemes also highlight the notion that organisational learning and training is an ongoing commitment and not just a one-off activity. Such provisions are found in nearly half of small business agreements and in around a third of all agreements.

Training programmes provided for in agreements are designed for a variety of purposes, including to:

- link training to defined or quantified improvements in particular areas of the business;
- break down unnecessary demarcation of work;
- focus on multiskilling of the workforce to achieve improved efficiency, productivity and contestability for the employer as well as delivering more fulfilling, challenging and better remunerated jobs; or
- contribute to succession planning.

Increasingly this concept is being implemented by way of structured staff development processes whereby advancement is linked to a competency based classification structure. Linking training to wage movements and career development demonstrates a further commitment to the ongoing development of staff resources and future organisational growth.

A small number of agreements provide for detailed training arrangements, with training requirements specified by classification and/or work level. However, training programmes are more commonly provided for in broad terms only, for example, by providing a "Skills List", which details the skills that fall into each classification level and the mix of skills required to progress from one level to the next.

A requirement for review on a regular basis is also common for example annually or as a part of performance feedback processes. Such a structure allows employers to tailor their training arrangements to their business needs and to respond readily to changes in their business environment.

Skills assessment

Assessment and monitoring of employee skill levels allows for ongoing identification of skill shortages and training needs, whilst also allowing for the definition of clear training objectives and direction. The registering of skills allows organisations to keep abreast of the current operating ability of their organisation and such knowledge also enables organisations to tap into the abilities of employees for the most effective utilisation of this resource.

A skills register is generally provided for in agreements by way of a review process including, but not exclusively, skills audits, skills analysis and needs analysis practices. An important part of this process in work areas where skills are work-based rather than formally (for example academically) obtained, is the encouragement of employees to seek formal recognition of their existing skills through processes such as 'recognition of prior learning'.

Given the labour intensive nature of establishing and maintaining such registers, it is not surprising that these provisions are most likely to be found in large³ and medium to large agreements.⁴

Type of training

A range of training options are utilised within 36 per cent of all agreements. Some of the factors affecting their selection include finding the best fit for their specific requirements, tailoring training around identified needs, costs, benefits, commitments and obligations, while also providing the necessary workplace flexibilities.

Industries with identified training needs for work organisation purposes are more likely to specify the type of training to be undertaken. Steps are also often taken to provide the training as a part of the organisation's infrastructure to enable greater flexibility of the labour force, multi-skilling and more effective operations.

³ These are workplaces that employ at least 500 staff.

⁴ These workplaces employ between 100 and 499 employees.

Organisations that recognise the necessity for particular training (such as for blue collar or process driven functions) often opt for industry specific training arrangements provided by an external training body such as a TAFE college or other recognised training provider. Specified on-the-job components are a common feature of such arrangements. They may cover issues such as how a job is to be performed, under what conditions or to what standard.

Some employers focus on providing on-the-job training, or make internal training arrangements. Organisations with less specific training needs provide opportunities for training in less formal ways, such as through:

- general support and assistance, such as opportunities for employees to relieve in higher classifications;
- attendance at seminars and/or conferences; and
- paid or unpaid leave, for example, for professional development.

Summary

In analysing the above data one major element is evident. The incidence of training arrangements reported and the importance of providing staff with the relevant training has become duly recognised by employers when drafting workplace agreements.

Organisations of all sizes are becoming increasingly aware of the fact that effective training arrangements allow for the flexible deployment of skills, increased efficiency, productivity and competitiveness and that structured programs grant employees greater opportunities for more fulfilling, challenging, better awarded jobs and greater satisfaction.

Note: For further information regarding this article please contact Jenny Balaam (02) 6121 7767.