



CURRENT
AGENCY AGREEMENTS

**WAGE OUTCOMES SUMMARY
IN THE
COMMONWEALTH PUBLIC SECTOR**

February 2010

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Another HBA Research Publication

INTRODUCTION

Welcome to the **February 2010** edition of HBA Consulting's *Wage Outcomes Summary in the Commonwealth Public Sector ©*.

The production of HBA's latest Wage Outcomes Summary continues our practice of providing the most comprehensive up to date and accurate information on salary rates delivered through agency agreements across the Commonwealth. This information is not available at the same level of detail anywhere else.

WHAT'S IN THE SUMMARY?

This publication provides the latest information on wage outcomes generated by agency agreements across Commonwealth employment. The information is drawn from a sample of **99 agreements** and is presented in an easy to read format under the following headings:

Index of Current Agreements

- The Index identifies the title of each agreement by alphabetical order and page reference number. This allows the reader to quickly locate specific agreements of interest.

Agency Data

- Agreement details for each agency appear in order of commencement. This allows the reader to easily track various trends during the agreement making cycle eg wage increases, duration of agreements etc.
- Note that agreements with a Nominal Expiry Date (NED) prior to **March 2009** are excluded. Agreements with an NED falling in the period March through October 2009 are retained unless a replacement agreement is known to have been lodged and approved (see further comment below), in which case details of the new agreement are given.

Commencement Date

- For Pre-WorkChoices agreements, this identifies the date on which the Australian Industrial Relations Commission formally certified the agreement.
- For WorkChoices agreements, this identifies the date on which the agreement was lodged with the Office of the Employment Advocate or the Workplace Authority.
- Under the TTF and Fair Work legislation, agreements may commence only after application of a No Disadvantage or BOO (Better Off Overall) test and subsequent approval by the Workplace Authority or Fair Work Australia. The date of commencement of TTF and later agreements is 7 days after the date of approval.

Nominal Expiry Date (NED)

- This records the expiry date specified in the agreement, which could be up to a maximum of three years from the date of commencement for pre-reform agreements, five years under Work Choices and four years under the Fair Work Act 2009.

Duration

- This shows the time between the date of commencement of the agreement and it's NED in months¹.

Bonuses or special payments

- This column identifies any lump sum bonus payments that feature within agreements in addition to percentage salary increases - eg sign on bonuses, productivity bonuses etc. Additionally, one-off adjustments to salary ranges for particular levels may be noted under this heading.
- Bonus payments available to individuals under agency performance management schemes are **not** included.

Pay Increases

- This category includes all general salary increases contained within the individual agreement and dates of effect. Regarding date of effect, note that the formulation most often used in agreements is 'payable from the beginning of the first full pay period commencing on or after [date]'.
• Where preconditions attach to all or part of a general pay increase (eg 1% subject to achievement of corporate performance measures, or 0.5% subject to implementation of revised performance management arrangements), it is assumed for purposes of this report that these preconditions will be met.

Average Increase Per Annum

- This converts the total of general salary increases (ie excluding market adjustments etc applying to particular levels) delivered through the agency agreement into an annualised figure.
- Note that sign on bonuses and/or lump sum dollar payments are not included in average increases per annum.
- Average increase p.a. is calculated by adding each base pay percentage increase and dividing by the number of months covered by the CA (commencement to NED) and then multiplying by 12. As a general rule throughout this report percentage figures are rounded to one decimal place.

NED to NED

- This tracks the period of time and associated salary increases per annum from the NED of the former agreement to the NED of the current agreement in months. This assists in understanding the real impact of salary increases, where a time gap exists between the NED of the former agreement and the commencement of the replacement agreement.

¹ ie to the nearest whole month. Example: where an agreement operates for 24 months and 15 days or less we would express the duration as 24 months. Conversely, where an agreement operates for 24 months and 16 days or more we would express that as 25 months.

- This separate measure often forms an important part of the negotiations between agencies, employees and unions when considering salary components of agreements.

OVERALL SUMMARY

This provides the following overall summary information across the agencies covered by the analysis:

- **Overall Average Annual Increase**
 - Calculated by adding all individual annual increases and dividing by the number of agencies listed.
- **Overall Average NED to NED Annual Increase**
 - Calculated by adding individual annual increases and dividing by the number of relevant agencies. Note that the totals used for this and the next calculation are different from those used for the previous measure, due to some exclusions (eg of new agencies).
- **Average Duration of Agreements and NED to NED**
 - Calculated by adding individual agreements' duration or NED to NED time periods and dividing by the number of relevant agencies. Average duration is expressed in whole months.

Cost: \$900.00 (ex GST)

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WAGE OUTCOMES SAMPLE PAGE ONLY

Agency	Agreement Type	Certification, Lodgment or Commencement Date	Duration	Nominal Expiry Date	Bonuses or Special Payments	Pay Increases	Average Increase P.A.	NED to NED
Australian Institute of Aboriginal and Torres Strait Islander Studies	UCA	24 Jul 2007	48 months	24 Jul 2011	Nil	5.0% 24/07/2007 4.5% 24/07/2008 4.5% 24/07/2209 4.0% 24/07/2010	4.5%	3.9% 31/12/06 55 months
Australian Law Reform Commission	UCA	26 Jul 2007	42 months	26 Jan 2011	Nil	4.2% 26/07/2007 4.2% 26/07/2008 4.2% 26/07/2009 4.2% 26/07/2010	4.8%	4.1% 24/12/06 49 months
Food Standards Australia New Zealand	UCA	29 Jul 2007	35 months	30 Jun 2010	Nil	4.2% 29/07/2007 4.2% 01/07/2008 4.2% 01/07/2009	4.3%	4.2% 30/06/07 36 months
Family Court of Australia	UCA	30 Jul 2007	35 months	30 Jun 2010	Nil	4.4% 30/06/2007 4.4% 01/07/2008 4.4% 01/07/2009	4.5%	4.4% 30/06/07 36 months
Comcare	ECA	1 Aug 2007	36 months	31 Jul 2010	Nil	4.3% 01/08/2007 4.5% 01/08/2008 4.5% 01/08/2009	4.4%	4.4% 31/07/07 36 months
Department of Health and Ageing	ECA	9 Aug 2007	48 months	8 Aug 2011	Nil	4.2% 01/08/2007 4.1% 01/08/2008 4.1% 01/08/2009 4.25% 01/08/2010	4.2%	4.1% 08/07/07 49 months
Department of the Prime Minister and Cabinet	ECA	31 Aug 2007	37 months	1 Oct 2010	Nil	4.5% 01/10/2007 4.5% 01/10/2008 4.5% 01/10/2009	4.4%	4.5% 05/10/07 36 months