

**IN THE TASMANIAN INDUSTRIAL COMMISSION**

Industrial Relations Act 1984  
S.23 application for award or variation of award

**The Federated Miscellaneous Workers Union of Australia**  
**Tasmanian Branch**  
(T.750 of 1987)  
(T.1161 of 1988)  
(T.1876 of 1989)

and

**Tasmanian Confederation of Industries**  
(T.2681 of 1990)

**Veterinary Services Award**

DEPUTY PRESIDENT

HOBART 20 November 1990

38 Hour Week - Structural Efficiency Principle second stage - occupational superannuation

**REASONS FOR DECISION**

These matters collectively concern applications to vary the Veterinary Services Award to provide for:

- (a) The introduction of a 38 hour week;
- (b) increased wage rates; and
- (c) 3 per cent occupational superannuation.

All claims are based upon award variations which are allowable within the terms expressed by the wage fixation principles.

The first hearing, involving the claim for a 38 hour week only, commenced to be heard three and a half years ago. Subsequently this matter was joined with succeeding claims for a 4 per cent second tier wage increase and 3 per cent occupational superannuation.

None of those claims were capable of being resolved during an aggregate of seven previous hearing days for a variety of reasons.

Because of the time lapse, together with changes to the wage fixation principles of this Commission, the claim for a 4 per cent "second tier" increase was overtaken by the structural efficiency principle. And since

the first structural efficiency increase was granted across the board by a decision of a Full Bench\* the current wage element of the package became the second structural efficiency adjustment.

The parties have now presented to the Commission a consent package of proposals which they agree justifies the granting of all three claims, with wage increases operative from the first pay period to commence on or after 1 November 1990; introduction of a 38 hour week from the first pay period to commence on or after 1 December 1990; and occupational superannuation provisions applying from the first pay period to commence on or after 1 January 1991.

It is self evident from the number of hearings held and the length of time which has elapsed since claims were first lodged that negotiations have been difficult in relation to the industry covered by the Veterinary Services Award. Whilst the award has been in need of a major review to update it for some time in a general sense there have also been a number of specific items which the parties have found difficulty in resolving.

Of particular concern to employers has been the absence of provisions relating to the employment of casual and part time workers in this industry. And even though agreement has been reached pro tem to include provisions concerning casual and part time work in the award the Federated Miscellaneous Workers Union (FMWU) have reserved the right to review both the question of loadings and overtime in respect of such workers.

Employers interests have, through the Tasmanian Confederation of Industries (TCI), similarly foreshadowed that they are likely to be seeking amendments to provisions relating to occupational superannuation, and more particularly to insert an "exemption" clause to enable certain employers to contribute to an alternative approved scheme under certain conditions.

It is appreciated by the Commission that qualified compromises have been made in present circumstances and the reservations expressed by TCI and the FMWU in this regard have been noted.

Notwithstanding the difficulties of the parties and the extent to which compromises have been made the Commission still needs to be satisfied that such significant award changes as that proposed can be justified on merit; meet public interest criteria and are consistent with the stringent requirements of the Wage Fixation Principles of their Commission.

Amongst the package of items agreed to by the parties are matters falling under the following headings:

1. Rest periods.
2. Sick leave.
3. Definitions.
4. Part-time employees.
5. Casual employees.



6. Hours of work.
7. Contract of employment.
8. Payment of Wages.

Those items go to improving the flexibility of the workforce and improving efficiency of enterprises covered by the award. They also result in direct cost savings.

The agreement of the parties makes specific provision for the inclusion of a new award clause titled "Structural Efficiency", which provides that:

- "(a) The parties to this award are committed to co-operating positively to increase efficiency and productivity and to enhance the opportunities and job security of employees.*
- (b) At each place of employment a consultative mechanism appropriate to the size, structure and need of that place shall be established to consider efficiency measures. The consultative mechanism shall involve management, employees of the centre and the union.*
- (c) Efficiency measures which may seek to vary a provision of this award shall be referred to the Tasmanian Industrial Commission.*
- (d) An appropriate classification structure shall be an issue for on-going discussion between the parties to the Award."*

I must say that compared to some other less realistic "structural efficiency" clauses to formalise enterprise type bargaining arrangements which have been put forward in recent times, the above proposal is far more realistic and in keeping with sound industrial practice.

Because the Commission must satisfy itself that as much as possible of the required cost offsets to achieve a reduction of standard hours to 38 per week is achieved by changes in work practices it would have assisted if the actual savings were quantified. However, the reality is that a package of savings and efficiencies have undoubtedly occurred through a major overhaul of the award which was long overdue.

From the history of this file and the evidence and material put forward it has been clearly established that the proper objectives of the Wage Fixing Principles have been observed.

The package of matters agreed to are designed to eliminate impediments to multi-skilling and broadening the range of tasks which a worker may be required to perform.

Such packages will also ensure that working patterns and arrangements enhance flexibility and meet the competitive requirements of the industry.

I am therefore satisfied that the package meets the requirements of the wage fixation principles.

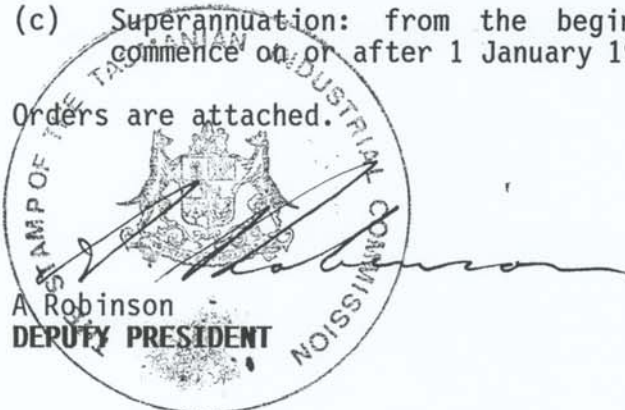
I am also satisfied on the grounds of public interest.

Accordingly the consent package is approved, and the awards will be varied in the manner requested.

Operative Date

- (a) Wage Rates: from the beginning of the first pay period to commence on or after 1 November 1990.
- (b) 38 Hour Week: from the beginning of the first pay period to commence on or after 1 December 1990.
- (c) Superannuation: from the beginning of the first pay period to commence on or after 1 January 1991.

Orders are attached.



Appearances:

Mr K O'Brien, Mr L Brown and Ms P Shelley for the Miscellaneous Workers Union of Australia, Tasmanian Branch.

Mr K Brotherson and Mr W J Fitzgerald for the Tasmanian Confederation of Industries.

Date and Place of Hearing:

Hobart  
May 6 1987  
February 25 1988  
April 17 1989  
May 16 1989  
May 25 1989  
September 21 1990  
October 30 1990  
November 9 1990