



TASMANIA

Tasmanian Industrial Commission

Industrial Relations Act 1984

T No. 7268 of 1997

IN THE MATTER OF an application by
the Automotive, Food, Metals,
Engineering, Printing and Kindred
Industries Union to vary the Metal &
Engineering Industry Award

Re: Clause 8 - Wage Rates, sections (3)
Engineering Production Juniors -
Unapprenticed and (5) Apprentices, by
the application of Supplementary
Payments to all wage rates as
prescribed

COMMISSIONER IMLACH

HOBART, 31 October 1997

TRANSCRIPT OF PROCEEDINGS

Unedited

(WOULD PARTIES PLEASE READ THIS TRANSCRIPT CAREFULLY)

COMMISSIONER: I'll take appearances.

MR P. BAKER: Sir, I appear on behalf of the applicant organisation
- P. BAKER.

MR K. BECKER: BECKER K., I appear on behalf of the CEPU.

5 **MR M. WATSON:** MARK WATSON. if it please the commission, I
appear on behalf of the Tasmanian Chamber of Commerce and
Industry.

COMMISSIONER: Thank you, Mr Watson.

10 MR WATSON: My apologies, commissioner, for not being here at the
allotted time. I don't know what's happened to the system but I didn't
actually receive a hearing notice. As I said to your associate, I'm not
saying that that wasn't sent but I didn't actually receive it, so my
apologies for that.

15 COMMISSIONER: Yes. Just while you're at it, Mr Watson, we'll keep
going with you. Have you had discussions with Mr Baker about this
application at all?

MR WATSON: Would we be able to go off the record, commissioner,
please.

COMMISSIONER: You certainly can. Off the record, thanks.

20 **OFF RECORD**

ON RECORD

COMMISSIONER: Mr Baker?

MR BAKER: Thank you, sir. I have handed to you a proposed draft
order to give effect to the application.

25 COMMISSIONER: **EXHIBIT B.1.**

30 MR BAKER: B.1 - thank you, sir. I should point out that there is in
fact an error in it. After having looked at it numerous times I must
admit I never picked it up. Under 'apprentices' under 'weekly wage
rates' under the 'proposed dates' you will see that it says 1/5/97,
1/11/97. Those two figures, 1/5/97 and 1/11/97 should in fact read
1/5/98, 1/11/98 to give effect to the six monthly gap.

35 The applications before you today arose out of decisions of the federal
commission in respect of the federal Metal Industry Award, in
particular, Part I of that award. The issue of supplementary payments
for apprentices who were previously excluded from such payments
were in fact remedied by a decision of the full bench of the federal
commission in December of 1995.

The application before you today has waited for some time due to the formation of the orders federally, and secondly, the issue of juniors, that is, unapprenticed young people.

5 Juniors in the federal award were granted supplementary payments by a decision of Commissioner Lawson in May of this year. Consequently to that, we have prepared the application which in fact mirrors the federal award although the phasing-in period, as outlined in exhibit B.1, is in fact six months behind the federal application.

10 In support of the application, we also indicate to you, commissioner, that we believe that it is important that both the federal award and the relevant state award, that is, the Metal and Engineering Industry Award should reflect similar rates of pay and particularly for juniors and apprentices because of the growth in the group training companies where we have a number of young people who circulate
15 throughout the various trades covered by this award and it is important that there is a consistency of wage rate that is applicable in the industry not dependant upon whether in fact you are under the state or the federal award.

20 I would submit to you, commissioner, that the application is consistent with the Wage Fixing Principles which were re-endorsed in decisions of this commission earlier this year and in particular Principle 5 - Minimum Rates Adjustment, and we would submit that the application falls within that principle.

25 And subject to the comments which may follow, I would request the commission vary the award in the manner sought.

COMMISSIONER: Yes. Thanks, Mr Baker. That MRA - I have a vague recollection that a movement in the minimum rates adjustment requires a separate application each time - is that so?

MR BAKER: That is correct.

30 COMMISSIONER: So this might be an agreement document that you'll have to come along formally each time - is that so?

MR BAKER: Yes. It may be appropriate to include in the award the proposed variations as perhaps an Appendix B or something or other so an employer can actually see that the wage rates will in fact be on a
35 moving band, so as to speak, until May 1999 - or figuratively speaking, May 1999.

COMMISSIONER: Yes, well I'll leave you to resolve that with Mr Watson. I'll be sticking to that requirement so that might help you both.

40 MR BAKER: I wouldn't ask you to do anything else, sir, I understand that.

COMMISSIONER: No, I know, which may mean that it's one at a time in the award as well, but that's not to say they don't - if the parties are agreed it will be a great help. We all know where we're going up to 1999 one way or the other.

5 MR BAKER: Well, I think that was one of the problems, in recollection, of the previous variations which went through this minimum rates process; that for many people it was a bit of a shock. All of a sudden every six months there was another increase in the award. For Mr Watson's members and our own the process was clear.
10 I'm not too sure it was clear for people who weren't members of either our organisation, Mr Becker's organisation or Mr Watson's organisation.

COMMISSIONER: Yes. Well, I'm interested to hear from the parties about that. The other thing is, in relation to following the federal
15 system, shall we say, has this award generally done that, Mr Baker?

MR BAKER: I'm sorry, sir?

COMMISSIONER: Like the state Metal and Engineering Industry Award does that generally mirror the federal industry award, does it?

MR BAKER: Well, it does at the present time.

20 COMMISSIONER: It does?

MR BAKER: Does - down to the last cent as far as the wage classifications are concerned.

COMMISSIONER: Yes, well that's a good indication for this area then, isn't it?

25 MR BAKER: Mm.

COMMISSIONER: I'm putting something to you.

MR BAKER: Indeed, I suppose I should also point out, even the percentages - the percentage figures as contained within the junior areas and the apprenticeship areas do in fact mirror the federal
30 percentage figures. They are identical.

COMMISSIONER: Right, thanks, Mr Baker. Mr Becker?

MR BECKER: Thank you, commissioner. I support the submission of Mr Baker and subject to the employer's submission, I seek that you vary the award as detailed in the application.

35 COMMISSIONER: Thank you, Mr Becker. Mr Watson.

MR WATSON: Thanks, commissioner. Commissioner, I have a bit of a problem in relation to this matter today in that our organisation

didn't actually receive the hearing notice as I've addressed you on before. However, I don't believe it's a big problem for the parties but my problem today is that I'm not in a position to put a position to the commission on this particular application. Consequently, I would
5 propose that myself, Mr Baker and Mr Becker meet next week if required to see if we can reach some agreement on this matter and then formally advise the commission if we do do that. If that's not possible then I guess we would request that the matter be re-listed for
10 hearing for you to take argument and then in effect determine the matter.

In relation to the question that you raised about the minimum rates adjustment, I think the principles are fairly clear in relation to that matter but we will discuss that with Mr Baker because I think the comments that he's made do have some merit.

15 So on that basis, commissioner, we would request that you in fact adjourn these proceedings today on the basis of - or in the interests of at least allowing the parties to reach some agreement on this matter, and as I say, if that's not possible then I guess the matter would have to go for determination. If the commission pleases.

20 COMMISSIONER: Thanks, Mr Watson. Nothing else, Mr Baker?

All right, well I'll grant the adjournment and recommend to the parties that they get together as soon as possible and if possible seek agreement and return a draft order to the commission in which case there will be no need to resume.

25 If the parties are unable to reach agreement no doubt, Mr Baker, you'll be on to me first for us to resume and I'll organise that as soon as possible.

30 One other thing, returning to that minimum rates adjustment, the gradual implementation specified in the award, I think I'd be reluctant to change the award as it's specified here but some other method like the one you mentioned, Mr Baker, if the parties can agree on it I'd try not to be difficult about it.

Nothing else? Thank you, gentlemen. This matter is adjourned.

HEARING ADJOURNED