



SUBMISSION ON BEHALF OF THE AUSTRALIAN FEDERATION OF
EMPLOYERS AND INDUSTRIES (AFEI)

AM2008/64

AWARD MODERNISATION

AFEI
Australian Federation of
Employers & Industries

**BEFORE THE AUSTRALIAN INDUSTRIAL RELATIONS
COMMISSION**

**AM 2008/64 – Indigenous Organisations and Services–
Aboriginal Community Controlled Health Services Award
2010**

1. The Australian Federation of Employers and Industries (AFEI) make the following submissions concerning the Exposure Draft Aboriginal Community Controlled Health Services Award 2010.

Types of Employment

2. AFEI have significant concerns regarding the provisions of the Exposure Draft pertaining to part-time work and overtime. Presently the Exposure Draft states at clause 10.3(e) that:

“All time worked in excess of the hours as mutually arranged or varied will be overtime and paid for at the rates prescribed in clause 24 – Overtime and penalty rates of this award”

3. AFEI submits that this provision does not accurately reflect current industry standards and represents a potentially significant administrative increase for employers. Presently the predominate award in the industry, the federal Health Services Union of Australia (Aboriginal and Torres Strait Islander Health Services) Award 2002 ("the HSU Award") does not require variations to agreed hours of work to be recorded in writing, allowing the reasonable assumption that verbal agreement between employees and their employer would suffice.
4. AFEI submits that the Commission should acknowledge current work practices within the industry and that the Exposure Draft should be amended to reflect those standards via either the removal of the requirement to have any variation to hours of work recorded in writing, or by adding the ability to obtain verbal agreement to such variations.

Casual Loading

5. Within the Exposure Draft for this industry the Commission has seen fit to establish the casual loading at 25%. This loading represents a significant cost increase to employers from the current HSU Award which in contrast prescribes a 15% loading. AFEI submits that when considering terms of the Exposure Draft with the potential to result in significant cost increases to employers the Commission should be mindful of the nature of such employers.

6. Many organisations within the industry rely heavily on government funding and any amendment to award terms resulting in cost increases will pose a considerable difficulty to such organisations. Thus AFEI proposes the Commission see fit to defer any increase to the casual loading for the duration of the transition period to allow employers the maximum time available to assess and adapt their work practices to minimise the impact of significantly higher labour costs for casual employees.

Conclusion

7. In conclusion, AFEI submits that the Commission should reconsider the following aspects of the Exposure Draft in conjunction with the transitional treatment of specified terms. As detailed above AFEI has concerns with respect to the nature of the overtime provisions as they apply to part-time employees and suggests that the Commission consider either the removal of the present restrictions or amending the terms of the Exposure Draft to enable verbal agreement to mutually vary the hours of work.
8. With respect to the transitional arrangements to apply to the significant increase to the casual loading, AFEI submits that all of such increase should be deferred for the duration of the transitional period to allow employers adequate time to consider and adapt their employment practices.

16 October 2009