

President's statement

Enterprise agreements – Statistical report: Enterprise agreements & other bargaining data

Justice Ross, President

Melbourne, 9 September 2022

- [1] On 22 August 2022 I released a <u>Statement</u> which outlined the Fair Work Commission's (Commission) intention to regularly publish aggregated information on enterprise agreement approval applications and lodgment information for other bargaining matters.
- [2] The proposal included the publication of a statistical report each fortnight comprising of data from enterprise agreement approval applications lodged with the Commission. This would include the calculation of an Average Annualised Wage Increase (AAWI) for enterprise agreement approval applications lodged (rather than subsequently approved) with the Commission during the most recent fortnight.
- [3] On a monthly basis, it is proposed that the statistical report would include information on the number of lodgements for enterprise agreement approval applications, as well as other enterprise agreement-related applications.
- [4] A copy of the <u>proposed statistical report</u> with data for agreement approval applications lodged in the fortnight 2–15 July 2022, together with the <u>proposed information note</u> (which sets out the data sources and methodology for the metrics) was published with the Statement.

Feedback

- [5] The Commission sought feedback on the proposal, statistical report and information note by 5pm on Monday 29 August 2022.
- [6] Feedback was received from a number of interested stakeholders. The feedback was overwhelmingly positive, and all were supportive of the initiative.
- [7] In response to the feedback received, we have implemented the following key changes into the subsequent statistical reports:
 - Publication of historical data in an Excel file this will be updated and published each fortnight.

- Inserted a note to clarify that some agreement approval applications may subsequently be withdrawn or not approved, however, the data will not be revised after publication. The proportion of agreement approval applications that were withdrawn or not approved/dismissed in 2021-2022 has been included (see page 2).
- Inserted a note to clarify that the AAWI estimates in the statistical report do not include greenfields agreements as there are no employees at the time the agreement is made. Greenfields agreements are included in AAWI estimates provided in the Commonwealth Department of Employment and Workplace Relations (Department) *Trends in Federal Enterprise Bargaining* report (see page 4).
- Updated the definition of 'application lodged by a Union' to clarify that it is limited to applications where the union is the entity that lodged the application, in contrast to the Department's *Trends in Federal Enterprise Bargaining* report which deals with union coverage (see page 5).
- Included information on the median number of employees covered by agreement approval applications lodged (see Table 1.1).
- Identified the proportion of agreement approval applications that have increases linked to the Consumer Price Index (CPI), Annual Wage Review, those with consistent wage increases and those with higher wage increases on commencement (see Table 1.1).
- Included the proportion of agreement approval applications lodged in the fortnight that were greenfields applications (see Note under Table 1.1).
- Included additional information in Table 1.4 for agreement approval applications lodged in the largest industries.
- Included additional charts in Section 2 which contain data on the number of bargaining order applications (s.229) and bargaining dispute applications (s.240) lodged in each month (see Charts 2.4 and 2.5)
- Inserted data labels to the charts in Section 2.
- Revised the method for calculating the 'effective duration' to match the Department's *Trends in Federal Enterprise Bargaining* report.
- [8] The updated statistical report with data for agreement approval applications lodged in 16–29 July 2022 has been published today.

- [9] Subsequent statistical reports will be published fortnightly on a Monday. The next statistical report will be published on Monday, 26 September 2022.
- [10] Any comments or feedback on the statistical reports should be sent to chambers.ross.j@fwc.gov.au.

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JUSTICE IAIN ROSS AO

President