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Four Yearly Review of Modern Awards Review of Certain C14 Rates in Modern Awards

Matter no.: C2019/5259

1. The “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (the **AMWU**) makes the following submissions in response to the Statement issued by the Fair Work Commission (the **Commission**) on 28 August 2019 (the **August Statement**).
2. The August Statement identified 14 Awards which contain C14 classifications that are not transitional or have unidentified transition periods, and expressed a provisional view that these awards ought be referred to a Full Bench for review.
3. Parties were invited to comment on:
 - a. the provisional view;
 - b. the accuracy of the list of awards;
 - c. for those awards which do not specify a transition period, what transition period is proposed;
 - d. for those awards that do not contain a transitional arrangement, whether the C14 level provides a fair and relevant safety net, and whether there has been a work value determination.
4. The AMWU respectfully agrees with the provisional view expressed in the August Statement.
5. The list of Awards is accurate with respect to the Awards in which the AMWU has an interest.
6. The AMWU has an interest in the *Oil Refining and Manufacturing Award 2010, Quarrying*

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Award 2010, Rail Industry Award 2010 and the Sugar Industry Award 2010.

7. For those awards which do not specify a transition period, employees should transition from the C14 rate after 38 hours of induction training or whenever they have attained the requisite competence, whichever is sooner. The C14/National Minimum Wage rate can properly be regarded as a “stepping stone” to higher paid employment.¹ A lengthy time frame for transition undermines the ability of employees to progress and be appropriately remunerated for their increased capacity and proficiency.
8. Where there is no transitional arrangement, the C14 level does not provide a fair and relevant safety net. The absence of a transitional arrangement means that workers can be paid the National Minimum Wage for extended periods, even where skills and competencies are being attained.
9. The AMWU is not aware of any relevant work value determinations.

AMWU National Research Centre

3 October 2019

¹ *Annual Wage Review 2018-19* [2019] FWCFB 3500, [337].