

Statistical report—Enterprise agreements & other bargaining data

22 August 2022

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This report provides information on agreement approval applications lodged with the Fair Work Commission (Commission) and lodgment information for other bargaining matters.

It uses information collected from the Commission's case management system and the application material, including enterprise agreements (agreements) and Commission forms, to derive a fortnightly Average Annualised Wage Increase for agreements lodged with the Commission. Further information about the data used in this report can be accessed in the <u>Information note (pdf)</u>.

The AAWI calculated in this report is based on agreement applications **lodged with the Commission** and **not on agreements approved** as presented in the quarterly Department *Trends in Federal Enterprise*Bargaining report.

The information in this report is intended to complement published information from the Commonwealth Department of Employment and Workplace Relations (Department). This includes the Department's, *Trends in Federal Enterprise Bargaining* quarterly report which contains information from its Workplace Agreements Database on approved enterprise agreements made in the federal workplace relations system, which presents a historical series for agreements made from 1991 onwards.¹

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¹ See Attorney-General's Department 'Enterprise agreements data'. Accessed 16 August 2022. Please note this link will change when the Department of Employment and Workplace Relations' website is established.

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Data definitions

Data item	Description
AAWI	Average annualised wage increase.
	Method of calculation: For agreements with quantifiable wage increases, it is calculated as follows:
	$100 \times \left\{ \left[\prod_{i=1}^{N} 1 + r_i \right]^{\frac{1}{d}} \right\} - 1$ Where r = percentage increase of the ith time
	Where r_i = percentage increase of the i^{th} time N = the number of increases over the life of the agreement
	d = effective duration of the agreement in years
	a checking and and selection in years
	Fortnightly AAWI estimates are based on the AAWI per employee, which is calculated by weighting AAWI per agreement by the number of employees covered.
	Enterprise agreements for which average percentage wage increases could not be quantified (e.g. those with inconsistent increases) are excluded from these estimates. See 'non-quantifiable wage increases'.
Agreement approval applications lodged	Applications made under s.185 of the <i>Fair Work Act 2009</i> received by the Commission in the timeframe specified in each table and chart below.
Application lodged by a Union	Where the applicant is a union association as found in the <u>registered organisation</u> <u>list</u> .
	This is not intended to provide an accurate reflection of union involvement in bargaining for agreements. Under the Fair Work Act 2009 it is possible for a union to have been involved in bargaining for an agreement and not lodge the application. Whether a union is covered by an agreement is not determined until a Commission Member issues an approval decision.

Effective duration	Difference in years between the expiry and commencement dates.
	As agreements analysed in this report have not been approved, commencement dates are assumed to be 15 days after lodgment (i.e., the median approval time for agreements approved in 2021-22).
Employees covered	At the time of the vote how many employees were covered by the agreement, which is derived from the Form F17 Employer's declaration in support for approval of an enterprise agreement (other than a greenfield agreement) (Form F17) at question 26.1.
Largest industries	Fair Work Commission industries that had the highest number of employees covered by agreements lodged in the fortnight.
	The listed industries are taken from the Commission's case management system which categorises applications consistent with the <u>list of industries</u> on the Commission's website.
Non-quantifiable wage increases	Wage increases in agreements lodged cannot be quantified if percentage wage increases vary between classifications in the agreement (i.e., are inconsistent) or if wage increases are awarded only if certain productivity improvements are made or if they are dependent upon individual or company performance; or linked to future movements in the Consumer Price Inflation (CPI) Index or increases in the National Minimum Wage (NMW) or modern award minimum wages following an Annual Wage Review decision. Other reasons may also be considered. These are consistent with the list of reasons recorded in the Department's Workplace Agreements Database set out at table in the <i>Trends in Federal Enterprise Bargaining</i> report (p. 49).
Quantifiable wage increases	An agreement is considered quantifiable if it contains wage increases that are consistent for all employees and are known at the time the agreement was made.
	If the agreement does not specify the increase in wages from the previous agreement, but a previous agreement has been identified by the employer in the Form F17 at question 7, then this agreement is reviewed to determine if the increase is quantifiable.

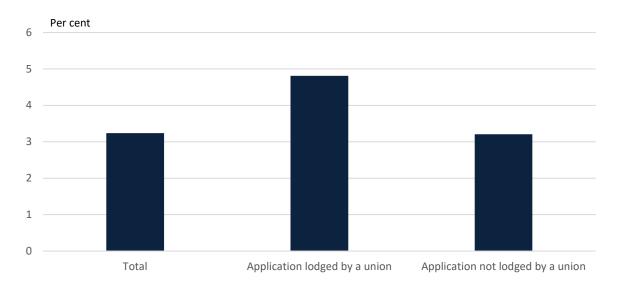
1. Enterprise agreement approval applications lodged

To be published fortnightly

Table 1.1: AAWI for agreement approval applications lodged in fortnight which contained quantifiable wage increases by applicant type, July 2022

	2 – 15 July 2022
Total	
Number of agreement approval applications lodged	153
Employees covered	19 132
Effective duration (in years)	2.7
AAWI (%)	3.2
Application lodged by a Union	
Number of agreement approval applications lodged	20
Employees covered	334
Effective duration (in years)	2.0
AAWI (%)	4.8
Application not lodged by a Union	
Number of agreement approval applications lodged	133
Employees covered	18 798
Effective duration (in years)	2.7
AAWI (%)	3.2

Chart 1.1: AAWI for agreement approval applications lodged in fortnight



Source: Fair Work Commission.

Chart 1.2: Non-quantifiable agreements, proportion of agreement approval applications lodged and employees covered, 2–15 July 2022

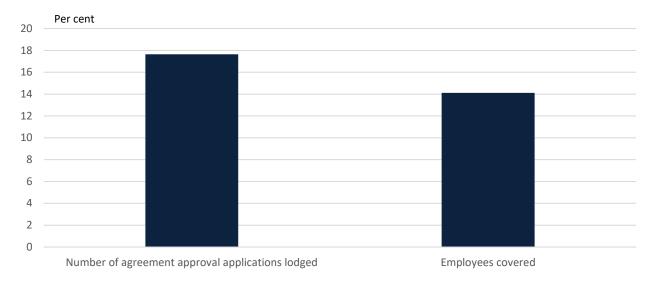


Table 1.2: Number of agreement approval applications lodged and employees covered by quantifiable/non-quantifiable agreements, 2–15 July 2022

	(No.)
Quantifiable	
Number of agreement approval applications lodged	126
Employees covered	16 433
Non-quantifiable	
Number of agreement approval applications lodged	27
Employees covered	2699
Total	
Number of agreement approval applications lodged	153
Employees covered	19 132

Source: Fair Work Commission.

Table 1.3: AAWI for agreement approval applications lodged by largest industries in 2–15 July 2022

Industry	Agreement approval applications lodged (No.)	Employees (No.)	Effective duration (Years)	AAWI (%)
Local government administration	5	3571	2.0	2.4
Passenger vehicle transport (non rail) industry	5	2790	3.5	3.3
Children's services	1	1329	1.4	5.6
Building, metal and civil construction industries	33	1091	2.8	4.3
Storage services	2	1025	2.9	2.6

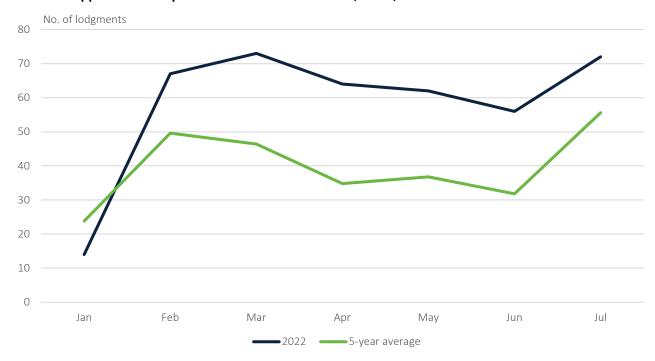
2. Other bargaining data

To be published monthly

Chart 2.1: Number of agreement approval applications, s.185, 2022



Chart 2.2: Applications for protected action ballot orders, s.437, 2022



Source: Fair Work Commission.

Chart 2.3: Applications for majority support determination, s.236, 2022

