

A submission to the Fair Work Commission:

Response to the 16 April 2018 Statement AM2014/286

## Contact

Heath Dickens

**Operations Manager** 

Disability Services Australia Ltd

P: (02) 8378 7700

E: hdickens@dsa.org.au

Disability Services Australia (DSA) welcomes the opportunity to provide this submission to the Fair Work Commission (FWC) on the Review of the Supported Employment Services (SES) Award 2010, AM2014/286.

DSA supports the provisional conclusions expressed in the 16 April 2018 statement, in particular the conclusions in regard to "job sizing" and the implicit recognition that the tasks or jobs undertaken by supported employees in Australian Disability Enterprises (ADEs) are significantly modified as compared to those undertaken in mainstream employment.

We believe this is a fundamental aspect of supported employment and should be reflected in any method that assesses wages and the associated value of work performed in ADEs.

DSA seeks to submit material addressing the key principles of the potential design of a new wage assessment method. Our aim in these submissions is to describe a simple process that, with further design input, can be easily administered by the sector, whilst providing a transparent, objective method of assessing pro-rata wages for supported employees.

Particular emphasis has been placed on ensuring our proposed method of wage assessment focusses on the work being performed, rather than personal attributes of the employee being assessed. Similarly, a key feature of the method we have outlined is the use of industry job descriptions and industry standards to ensure direct comparison is able to be made between the performance of the supported worker and the performance expected at full award level.

An associated benefit of using industry standard job descriptors is that it facilitates a degree of career progression for supported employees who aim or aspire to work towards either achieving a higher wage level or obtaining mainstream employment. That is, it provides a clear pathway of skill acquisition required of the employee if they are move into mainstream employment.

Attached (Annexure A) is a proposed outline of a potential job sizing method, together with the subsequent method of output measurement. As mentioned in the proposal, the method is predicated on our interpretation of the principles outlined in the Full Benches 16 April 2018 statement. We acknowledge further work will be required to develop or refine the concepts described.

As an active participant in previous conciliation and proceedings in this matter, DSA would welcome any future opportunity to contribute to the design and subsequent testing of any new supported employment wage assessment system.

### Annexure A

# Suggested wage assessment method

#### 1. Introduction

It is proposed that a threshold needs to be established regarding what constitutes an acceptable level of supervision, in order to determine if the employee can perform the task within the parameters of the acceptable level of supervision. If the employee requires more than the prescribed threshold of support it is not to be included as part of the wage assessment. Alternatively, a weighting method can be developed that will be adequately reflected in the resulting wage level.

Having taken the above into consideration, below is a basic or example description of a method by which a supported employee's wage level could be determined by prescribing a level/band of classification within the award as per the commission's example description of an incremental "sizing" approach (Stage 1 and 2). The 3<sup>rd</sup> stage would be the output measurement to be used to calculate the actual wage rate of the employee. The method described is by no means definitive and requires further work to be done to determine support thresholds, weighting for complexity of tasks etc.

#### 2. The assessment method

The 3 main aspects of performance that are characteristic of the difference between a supported employee's performance in their role as compared to the expected performance of an employee performing at full-award level are:

- The proportion or percentage of the range/scope of tasks performed as compared to what would be expected of an employee performing at full-award rate;
- The proportion or percentage of the specific tasks performed within the range of tasks performed in their role (including the complexity of each task they perform within the range); and
- The **output or volume** of work produced within the tasks performed by the employee as compared to the expected volume of output of a full-award employee.

#### 2.1 Stage One - Range/scope:

To accurately assess the range of tasks a supported employee performs, a standard or benchmark needs to be drawn from a Job Description/Duty Statement applicable to the specific industry in which the person is employed e.g. packaging, hospitality etc.

Having identified the applicable industry, a detailed Job Description/Duty Statement is needed to enable the process by which an assessment can be performed to identify any and all of the parts of the role the supported employee performs in their daily role.

It must be noted at this point that this particular method of wage assessment requires a detailed Job Description to be used in order to identify the percentage of the whole job. This is largely to ensure the supported employee is not disadvantaged. It is often the case that supported employees are able to perform certain aspects of a role, and that should be taken into account when assessing their overall performance rather than adopting an approach of

the employee either being able to perform the role in its entirety, or not, which would lead to a minimal wage level.

Following the identification of the appropriate Job Description, the employee's daily work performance is to be assessed against the industry standard.

If for example, the Job Description requires 10 specific tasks to be performed, the supported employee is to be assessed against each of the components listed in the Job Description. This assessment needs to take into consideration whether the employee can perform the task under **usual** industry standard levels of supervision as described in the relevant award.

#### **Example:**

Packaging Process Worker – Job Description/Duty Statement

- 1) Undertake process and packing tasks
- 2) Measure, weigh, and count products and materials.
- **3)** Examine and inspect containers, materials, and products in order to ensure that packing specifications are met.
- 4) Record product, packaging, and order information on specified forms and records.
- **5)** Remove completed or defective products or materials, placing them on moving equipment such as conveyors or in specified areas such as loading docks.
- **6)** Seal containers or materials, using glues, fasteners, nails, and hand tools such as tape guns.
- 7) Load materials and products into package processing equipment e.g. flow-wrap machine.
- **8)** Clean containers, materials, supplies, or work areas, using cleaning solutions and hand tools.
- 9) Place or pour products or materials into containers, using hand tools and equipment, or fill containers from spouts or chutes.
- 10) Ensure Quality Assurance and control procedures are implemented and maintained.

Note: The actual method of assessing whether a person can perform task needs to be devised, however one possible method may be the use of training records or a simplified mapping document that records when the employee has either been trialled on a task or works on a task. It is essential though that evidence is required to demonstrate if an employee has been deemed as not being able to perform a task. Consideration also needs to be given as to whether the person regularly works on that task and based on that whether it should be included in an assessment – for example if an employee spends less than X% of their time working on a task it is not included in the assessment.

However, for the purposes of illustrating the methodology, the following process would apply.

For this example the employee has been assessed as performing 4 of the duties listed in the Job Description under industry standard levels of supervision (highlighted) i.e. 40% of the range of duties – each duty comprising 10% of the overall Job Description.

### 2.2 Stage 2 - Task:

Having established the discrete tasks/duties the employee performs within the range of tasks described in the Job Description, an assessment is required to identify the number of components of each specific task they perform.

For example, if it has been established in stage one that an employee is able to undertake basic packaging tasks, a subsequent assessment is required to establish each of the components they are able to perform. To perform this assessment a detailed **Task Analysis** is required.

The task analysis will describe each aspect of the task, as well as the quality required of each aspect. For example:

## Task 1 (from Job Description – Undertake process and Packing Tasks)

Making a cutlery pack:

## Stage 1

| Stens | or |
|-------|----|

- 1. Place one salt, one pepper and one toothpick onto jig
- 2. Insert one salt sachet into envelope
- 3. Insert one pepper sachet into envelope
- 4. Insert one toothpick sachet into envelope
- 5. Close envelope flap
- 6. Isolate and report any non-conforming items to the supervisor

### Stage 2

### Steps

- 1. Check for dirty cutlery and replace with clean
- 2. Stack one fork, spoon and knife together curve up
- 3. Place cutlery stack into envelope with handles towards the opening
- 4. Place stirrer into envelope
- 5. Place one sugar sachet into envelope
- 6. Isolate and report any non-conforming items to the supervisor

# Stage 3

#### Steps

- 1. Open napkin in half
- 2. Place envelope flap down onto bottom of half of napkin. Flap end to folded edge of napkin
- 3. Fold top half of napkin over envelope
- 4. Place paper cutlery holder around the economy pack and stick ends together so join is on the same side as flap (bottom)
- 5. Isolate and report any non-conforming items to the supervisor

In this example task there are 3 separate stages that comprise the whole task. For the purposes of this exercise we will presume to have assessed the employee as being able to complete all 3 stages of the task/duty.

Note: A similar assessment is also required to determine how much of each of the other 3 duties from the Job Description the employee is able to perform. The same process will then apply to determine the proportion/percentage of the task the employee performs or is able to perform.

Again, for the sake of this exercise we will presume the employee was assessed as being able to perform:

- 50% of duty 2 (Measure, weigh, and count products and materials)
- 50% of duty 7 (Load materials and products into package processing equipment e.g. flow-wrap machine)
- 100% of duty 9 (Place or pour products or materials into containers, using hand tools and equipment, or fill containers from spouts or chutes)

### 2.3 The calculation of the Job Size (and potential classification level) is as follows:

100% x 10% (duty 1) + 50% x 10% (duty 2) + 50% x 10% (duty 7) + 100% x 10% (duty 9) = 30%

### 2.4 Output:

Having assessed the person's overall Job Size/classification level at 30%, a subsequent assessment would then need to determine the output or rate of the employee compared to a full-award expected output. This would entail a process of utilising established (or establishing) benchmarks of a person performing the same tasks at the expected full-award rate.

For this example we will presume the person has achieved a combined output rate of 75% of the benchmark rate (comprised of timings against each of the tasks they performed that were used for the purposes of job sizing).

### 2.5 Wage calculation

Therefore the person's wage level would be calculated as follows:

75% x 30% x (Grade 2 \$19.47) = \$4.38

### 2.6 Further work required

As mentioned previously, the assessment method described in this submission is purely to illustrate what an assessment may look like when adhering to principles articulated thus far by the commission. There is further work required regarding how the complexity of tasks should be weighted; debate re how supervision is to be accounted for – or not; the threshold for whether a person can complete the task under reasonable level of supervision etc.