

**OUTLINE OF SUBMISSION OF AUSTRALIAN INDUSTRY GROUP
RELATING TO FURTHER REVISED INDUSTRY PROFILE –
ACCOMMODATION AND FOOD SERVICES DATED OCTOBER 2016**

1. On 21 October 2016, the Full Bench caused to be published on the website of the Commission a further revised Industry Profile – Accommodation and Food Services dated October 2016 (the “**AFS Industry Profile Report**”). The AFS Industry Profile Report includes additional data to that included in the first version of the AFS Industry Profile Report dated December 2015 and the second version of the AFS Industry Profile Report dated September 2016.
2. The Ai Group notes that it has already made submissions in writing on the first version of the AFS Industry Profile Report (see outline of submissions dated 5 February 2016) and on the second version of the AFS Industry Profile Report (see outline of submissions dated 14 October 2016). The Ai Group maintains those submissions.
3. The additional data in the AFS Industry Profile Report relates to a comparison of the minimum weekly wage rates in the three classifications in the *Fast Food Industry Award 2010* (the “**Fast Food Award**”) with two-thirds of full time median earnings (see AFS Industry Profile Report, pp45-46). However:
 - (a) the weekly wages rates for the classifications in the Fast Food Award do not include any payments for overtime or penalty rates, whereas the full time median earnings include such payments (see Australian Bureau of Statistics, *Characteristics of Employment*, August 2015, Catalogue 6333.0, Glossary, “Weekly earnings”; Australian Bureau of Statistics, *Survey of Employee, Earnings and Hours*, May 2014, Catalogue 6306.0, Glossary, “Weekly total cash earnings”);
 - (b) the weekly wage rates for the classifications in the Fast Food Award are for employees only, whereas one set of the full time median earnings include owner-managers of incorporated enterprises (see Australian Bureau of Statistics, *Characteristics of Employment*, August 2015, Catalogue 6333.0, Data Cube 9, table 9.1 (see also Glossary, “Owner managers of incorporated enterprises (OMIEs)));
 - (c) the rates (both for the Fast Food Award and for median earnings) assume that fast food employees work on a full time basis when most fast food employees work between 1 and 15 hours a week (see outline of submissions dated 5 February 2016, par 86(g)); and

- (d) the rates (both for the Fast Food Award and for median earnings) assume that fast food employees are 18 years or above when large percentages of fast food employees (66 per cent of employees working for McDonald's and Hungry Jack's) are aged 14 to 17 years (see outline of submissions dated 5 February 2016, par 65).
- 4. Accordingly, the Ai Group submits that no weight should be attached by the Full Bench to the additional data in the AFS Industry Profile Report.

28 October 2016