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2 February 2018

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Dear Associate

AM2014/286 – Supported Employment Services Award 2010

We refer to the Commission's email of 1 February 2018 directing Endeavour to file revised versions of its submissions and witness statements which redact or otherwise remove any individual participant data used for the ARTD Evaluation Report.

We are instructed that the individual data disclosed in the statement of Mr A Donne is a record made by one of client's employees who supervised the trial of the modified SWS Tool and not information belonging to ARTD.

That said, we **attach** the statement of Mr A Donne with the individual participant data redacted.

We have reviewed our submissions and do not believe any redaction is required.

We make the redaction to Mr Donne's statement on the assumption that our client will not be criticised for providing high level financial information without also disclosing the relevant underlying data, which has now been redacted to comply with the Commission's direction. We request the opportunity to be heard on this if any party takes a different view.

Yours faithfully



Nick Le Mare
Partner

IN THE FAIR WORK COMMISSION

4 yearly Review of Modern Awards

Supported Employment Services Award 2010

FWC Matter No.: AM2014/286

STATEMENT OF ANDREW DONNE

I, Andrew Donne of 33 Corporate Drive, Cannon Hill in the State of Queensland, state as follows:

Employment History

1. I am currently employed by the Endeavour Foundation (**Endeavour**) as Chief Executive Officer. I am based at 33 Corporate Drive, Cannon Hill, QLD and have held this position since 2015.
2. I have been employed by Endeavour since 2004. Between 2004 and 2015, I held the position of Executive General Manager. In this role, I had overall responsibility for the management and operation of Endeavour Foundation's Australian Disability Enterprises (**ADEs**) and the open employment service.
3. In my role as Chief Executive, I am responsible for all operational and managerial functions across Endeavour's five core services in New South Wales, Queensland and Victoria.

The Endeavour Foundation

4. Endeavour was founded in 1951 by a group of parents of children with an intellectual disability. The association was formed with a desire to create more educational options and opportunities for children with an intellectual disability.
5. Since 1951, the organisation has grown and is a diverse 'for purpose' community organisation providing a range of services to people with a disability.

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Lodged by: **Endeavour Foundation**

Telephone:

Address for Service: PO Box 3555

Fax:

Tingalpa QLD 4173

Email:

Andrew Donne

Witness:

6. Endeavour operates across three states - Queensland, New South Wales and Victoria. It employs approximately 2,500 staff, 2338 supported employees and 401 apprentices and trainees with support from approximately 719 volunteers.
7. Endeavour provides five core services to people with a disability:
 - (a) Home and Daily Life;
 - (b) Learning;
 - (c) Work;
 - (d) Social and Community Participation; and
 - (e) Relationships and Independence.

Endeavour's business

8. As mentioned above, one of the core services of the organisation is Work. Endeavour has 30 separate ADEs employing approximately 2,338 supported employees at sites located in Queensland, New South Wales and Victoria.
9. It is generally accepted within our sector that there are approximately 20,000 supported employees employed by ADEs throughout Australia. Based on this figure, Endeavour represents approximately 11.6% of the ADE sector. To the best of my knowledge, Endeavour is the largest single employer of supported employees in Australia.
10. The majority of our supported employees have conditions which impact upon their intellectual abilities. The most common conditions which impact our supported employees are downs syndrome, autism, cerebral palsy, fragile X syndrome, prader willi syndrome, birth related brain injuries, foetal alcohol syndrome, acquired brain injuries and other conditions impacting an employee's intellectual abilities. A smaller number of supported employees have physical disabilities including vision impairment. Many employees with a physical disability also may have an intellectual disability.
11. There are a wide variety of commercial activities undertaken at Endeavour's various ADEs. The most common commercial activities include food and general packaging and the production of timber products including stakes and pegs.
12. **Attached and marked AD-1** is a list of Endeavour's ADEs and the details of the commercial activities undertaken at each ADE.
13. The work performed by supported employees at our ADEs varies depending upon the nature of the work undertaken at each site and the capacity of the individual employee. At any site we may have supported employees who have the capacity to drive trucks and forklifts or supervise production teams whilst other supported employees may be able to undertake very straight forward tasks such as attaching labels or sweeping the floor. The level of support and assistance provided to a supported employee varies depending upon

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the employee's individual capacity to undertake the tasks and the complexity of the tasks being undertaken.

14. Given Endeavour's ADE workforce is predominately made up of supported employees, this creates operational challenges including integrating employees into teams of varying capabilities.
15. It is not uncommon for a supported employee to become distracted and require assistance and support to remain on task. Also, given many of our supported employees have intellectual disabilities, it is quite common for them to experience challenges coping with work and/or relating to their work colleagues. At times, behaviours can escalate and this can impact adversely upon employees at the site.
16. The social challenges and behaviours impact on the tasks that are undertaken by each employee and if the task forms part of a production line, the behaviour of one employee can impact upon the performance of the whole line. For example, although we have scheduled break times, it is not uncommon for employees to become distracted and wander away from their task. If they are performing a task that is part of a production line, this will affect the total production levels as it is unlikely that another employee would step in to cover their absence.
17. At each of Endeavour's ADEs, there is a range of support and services provided to supported employees to assist them to complete assigned tasks. To assist Endeavour to provide these services, Endeavour employs the following:
 - (a) **Production supervisors.** Their key role is to make sure that the production line keeps working. This can include making sure each employee stays on their tasks and remains focused.
 - (b) **Employment coaches.** Their role is to recruit and to induct new supported employees. Part of the induction process may involve assisting the supported employee to catch public transport to and from work. To assist the supported employee, the employment coach normally travels with the employee to and from work on public transport for the first three days of employment to ensure the employee is able to competently access public transport.
 - (c) **Manager Employment Outcomes.** Their role is to plan and schedule training for supported employees and manage together with employment coaches any behavioural issues which occur with supported employees. Often this will involve engagement with the workers' family and specialist external services.
18. In addition to the above, Endeavour employs Program Support Officers who are involved in the annual wage assessment of the supported employees.

The Economics

19. Endeavour's ADEs are funded by a mixture of Commonwealth government funding and income generated by the commercial operations at each site.

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20. The funding from the Commonwealth government is distributed by the Department of Social Services - Disability Employment Services, through the Disability Employment Assistance program.
21. There are 4 levels of funding which are calculated having regards to the support needs of the individual supported employee. Those employees with more complex support needs attract a high level of funding compared to employees who require less support. During FY17, the total funding received by Endeavour under the Disability Employment Assistance program was \$29,961,304.
22. Funding is progressively being transitioned to the National Disability Insurance Agency from the Department of Social Security as the rollout of the National Disability Insurance Scheme continues. During FY17, Endeavour received total funding of \$1,383,160 in relation to supported employment services.
23. Each ADE generates revenue from its commercial operation. The commercial success of an ADE depends on the ability of a site to attract and retain business at a competitive price.
24. During FY17, Endeavour's 30 ADEs undertook contractual work for customers totalling \$42,624,014.
25. Notwithstanding the value of work undertaken, the combined result for Endeavour's 30 ADEs for FY17 was a loss of \$4,342,014 after the allocation of corporate overheads.
26. In light of this result, substantial work is being undertaken to improve both the operational performance of these businesses and their sales and marketing activities.

The Community

27. From my experience, I have seen first-hand the benefits of supported employment. For our supported employees, the opportunity to participate in the workforce is incredibly important to an individual's sense of worth. With the majority of our supported employees, it is very unlikely that they would be able to obtain employment in the open market. That being the case, employment at an ADE provides to the individual not only the benefits of paid employment but the opportunity for social interaction and engagement. Without the opportunity to work at an ADE, it is likely supported employees would not be in paid employment.
28. From a community perspective, the benefits of supported employment are numerous. I have had many conversations with family members of supported employees who have described to me the benefits not only for the employee's self-esteem but for the entire family as they have the benefit of knowing their family member is fully engaged in a supportive work environment whilst they are engaged in paid work. In my experience, families and carers are very strong supporters of ADEs as they witness the benefits such employment has in the lives of their family members.
29. More broadly, whilst some of our ADEs may be modest enterprises, collectively they have a substantial economic footprint. Many of our ADEs are located in smaller regional

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communities and their contribution to the regional economy is important. Additionally, approximately 341 non supported employees (such as those described at paragraph 17 above) are employed by our ADEs throughout Australia. These employees, as well as a portion of our supported employees who earn more than the tax free threshold of \$18,200, pay tax and make an economic contribution like any other employees.

The Greenacres Association Competency Based Wages System

30. Endeavour is covered by the Supported Employment Services Award (**the Award**). This Award covers employers throughout Australia who operate supported employment services and their employees working in the classifications listed in Schedule B of the Award. Each classification is graded.

31. Clause 14.2 of the Award provides for the minimum rates of pay for each grade.

32. Clause 14.4 of the Award provides for a wage assessment for employees with a disability:

“Clause 14.4 Wage assessment – employees with a disability

(a) *An employee with a disability will be paid such percentage of the rate of pay of the relevant grade in clause 14.2 as assessed under an approved wage assessment tool chosen by a supported employment service. “*

33. The Award lists approved wage assessment tools and Endeavour predominately uses the Greenacres Association Competency Based Wages System (**Greenacres Tool**) to determine the rate of pay for supported employees.

34. The Greenacres Tool was developed by the Greenacres Association in conjunction with the Australian Liquor, Hospitality and Miscellaneous Workers Union as part of the organisation’s Certified Agreement to provide for people who had **intellectual disabilities** and who therefore experienced different challenges to people who had a physical disability. For example, the Greenacres Association identified research showing the key barriers to employment for people with intellectual disability were social and behavioural.

35. The Greenacres Tool is therefore designed to accommodate employees who have intellectual disabilities that require high to moderate support needs. A detailed description of the Greenacres Tool is described in the report *“Analysis of Wage Assessment Tools used by Business Services.”*¹ **Attached** and **marked AD-2** is a copy of that report.

36. In summary, to address the different challenges faced by those with an intellectual disability, the Greenacres Tool has three distinct areas of work performance that are assessed - two of which are competency based:

¹ Analysis of Wages Assessment Tools used by Business Services Final Report, prepared by Jenny Pearson & Associates Pty Ltd for the Commonwealth Department of Families, Community Services and Indigenous Affairs

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Witness:

- (a) **Task Skills** (fine motor, gross motor, spatial, planning/problem solving, multiple coordination, language, literacy and numeracy, and machinery/ equipment/ tools skills required to successfully complete a job);
 - (b) **Underpinning Work Skills** (general vocational skills necessary to maintain successful employment, such as teamwork, punctuality, and working consistently); and
 - (c) **Productivity** (the rate of work output per individual employee over a predetermined time period, and is normally measured against the productivity rates of peers rather than able-bodied rate).
37. The tool essentially breaks down a job into specific tasks. Each task is analysed to determine what skills are required to complete each task and the type of underpinning work skills that are required to ensure successful employment. The Task Skills and the Underpinning Work Skills are assessed in parallel.
38. Each task is allocated a wage level. There are six wage levels, (Training and Support Level, A, B, C, D and E), each level increases with the complexity of the Task. For example, the task of painting pegs with a brush is assessed at Wage Level A, while the Task of Driving a Forklift is assessed at Wage Level E.

Applying the Greenacres Tool at Endeavour

39. Endeavour has distilled the Greenacres Tool into our own policy to ensure that it is applied consistently across our business. **Attached** and **marked AD-3** is a copy of our policy.
40. In general terms, the three areas of work are assessed as follows:
- Task Skills**
41. Task Skills are those specific skills undertaken directly to complete a job. At Wage Level A, the tasks which required to complete the job are very basic.
42. For example, at our site in Wacol, one of the jobs is packing bird seeds. This is broken down into 25 separate tasks.
43. **Attached** and **marked AD-4** is an extract from the job register at Wacol which records the skill level (which is the wage level paid) required to complete each task.
44. Row six of the spreadsheet records the Task of "Feed belt". This has been allocated the Skill Level A. Column G records the Task Skills required to complete the job (, 1, 2, 4, 5, 8, 10 and 7).
45. A list of the Task Skills can be found within our policy at document QF2025.01. **Attached** and **marked AD-5** is a copy of this document.
46. The Tasks Skills required to do this job are (referring to the Task Skill numbering):

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1. Basic hand-eye co-ordination e.g. can hold one item and complete task with remaining hand.
2. Elementary level of dexterity i.e. holds items firmly or gently as required.
4. Placement of items/ objects into bags, containers, boxes, jigs, etc.
5. Basic assembly (with/ without a match to sample item and/ or jig).
7. Use of basic tools (if automated, a jig/ template would be in place), e.g. guillotine, spanner.
8. Recognises concepts such as: on/ off, front/ back, top/ bottom, basic colours.
10. Organises a limited number of items (2-3) into sequential order.

Underpinning Work Skills

47. In parallel with the Task Skills, the Underpinning Work Skills are also assessed. These skills are general vocational skills necessary to maintain successful employment. These skills highlight the unique needs presented when employing persons with disabilities.
48. Therefore for a supported employee to receive Wage Level A, they must be able to complete the tasks of the job and display 80% of the Underpinning Work Skills.
49. The Underpinning Work Skills for Wage Level A are also referred to in our policy at document QF 2025.01. These are:
 - (a) Independent work practice.
 - (a) Working consistently.
 - (b) Flexibility.
 - (c) Quality control.
 - (d) OH&S.
 - (e) Workstation.
 - (f) Teamwork.

50. As with Task Skills, the complexity of the underpinning work skills increases with the Wage Level.

Productivity

51. The productivity assessment is assessed against a peer group (co-worker) average on a sample of jobs typically undertaken by the supported employee. Where a peer group

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average is not possible (for example at higher wage levels, where fewer employees may be completing the task), an able – bodied rate is used.

52. The task will usually have been allocated a Skill (wages) Level, and thereafter the supported employee's underpinning work skills and productivity will be assessed on this task.
53. The productivity assessment is undertaken by the supported employees' training and development officer and supervisor. The supervisor will observe and time (when that is possible) the supported employee undertaking the common duties undertaken by the supported employee. A calculation of the productivity is made by the supervisor based on the results of the productivity assessment.
54. The assessment of the supported employee's underpinning work skills is undertaken by both the employee's supervisor and the employment coach, again based on observations of the supported employee in the work place. The assessments are undertaken separately and the two results are compared to determine a final assessment.
55. The results from both the productive output assessment and the underpinning work skills assessment are provided to the site manager for review and final approval. As part of the process, the supported employee is provided with refresher training about how the wage assessment is undertaken using the Greenacres Tool prior to any assessments.
56. Discussions are also held with the supported employee to confirm the tasks performed by them and ensure the supported employee is assessed on the most appropriate tasks. The assessments are done by observations and the supported employee is unaware during the actual time of the observation.
57. **Attached and marked AD-6** is a copy of an assessment for a supported employee (**Employee X**).

Scoring and Wage Calculation

58. An employee with a disability commences employment at the *Training and Support Wage* Level. To progress to Wage Level A, the supported employee must meet:
 - (a) 100% of the Training and Support Level performance criteria over a minimum of 4 jobs or stages of jobs; and
 - (b) 80% of the Underpinning Work Skills for Wage Level A.
59. The supported employee's assessed Productivity rate then determines which *band* the employee will earn within the Wage Level. For Wage Levels A, B, C, D and E, there are three bands:
 - (a) **Entry** (employees whose measured productivity is generally in the bottom 25%);
 - (b) **Competent** (employees whose measured productivity is generally in the range of 25% to 75%); and

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- (c) **Advanced** (productivity generally in the top 25%).
60. The employee can progress to the next Wage Level (e.g. from Level A to Level B), if assessment shows they have achieved:
- (a) and maintained 100% of the competency criteria for their current and preceding wage levels;
 - (b) 'independent status' in the Task Skills for the next wage level job or stage of the job;
 - (c) 80% of the Underpinning Work Skills for the next wage level; and
 - (d) demonstrated consistent productivity and work performance of the task skills and work associated competencies of the next wage level as specified in a), b) and c) above for more than 50% of the time over a maximum period of six months.
61. The wage levels and increments are shown in the table below:

| Wage Level | Band | Wage % |
|--------------------|-------------|---------------|
| Training & Support | Entry | 10.0% |
| | Competent | 12.5% |
| A | Entry | 12.5% |
| | Competent | 15.0% |
| | Advanced | 17.5% |
| B | Entry | 20.0% |
| | Competent | 22.5% |
| | Advanced | 25.0% |
| C | Entry | 27.5% |
| | Competent | 30.0% |
| | Advanced | 32.5% |
| D | Entry | 35.0% |
| | Competent | 37.5% |
| | Advanced | 40.0% |
| E | Entry | 45.0% |
| | Competent | 50.0% |
| | Advanced | 55.0% |

63. Once an employee reaches Level E 'advanced' and maintains this level for 12 months, Endeavour no longer uses the Greenacres Tool and the supported employee is assessed through the Supported Wage Assessment Tool (**SWS Tool**).
64. Wage assessments are conducted annually for all supported employees. The assessment determines a percentage which is applied to the Grade 2 rate contained at clause 14.2 of the Award. Grade 2 of the Award is relevant to the majority of the tasks undertaken by the supported employees who work at Endeavour.

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65. The current grade 2 rate of pay is \$18.81 per hour. Supported employees are paid an assessed percentage of this rate. For example, an employee at Wage Level B entry level would be paid 20% of \$18.81 per hour.
66. During FY 2017, those supported employees who were assessed using the Greenacres Tool fell into the following classifications:

| Level | % |
|-------|-----|
| A | 43% |
| B | 42% |
| C | 9% |
| D | 4% |
| E | 2% |

67. Endeavour works with supported employees to help develop their skills and work capabilities. This includes both classroom and on the job training dealing with matters such as undertaking new tasks, operating new equipment and general workplace health and safety training.
68. Each year, goals are set with the supported employee and training is delivered to increase the skills and tasks which the supported employee undertakes. As supported employees take on more complex tasks, their hourly rate of pay increases. This training may involve engaging external providers, for example for forklift tickets or Certificate 1, 2 and 3 training.

SWS Tool

69. The SWS Tool was developed to assess wage rates for people with a disability working in open employment, not for supported employees working in ADEs.
70. A detailed description of the SWS Tool is contained within Supported Wage System Handbook July 2017 – Disability Employment Services. A copy is **attached and marked AD-7**.
71. In summary, the SWS Tool assesses the productivity capacity of employees against basic performance standards for other employees without a disability. It involves listing the tasks and duties of a role and agreeing on a basic standard for each duty at the full rate of pay for the job.
72. The productivity-based wage essentially requires a standard to be set of the productivity needed for the full rate of pay for the job, followed by an assessment of the employee's achievement against that standard.

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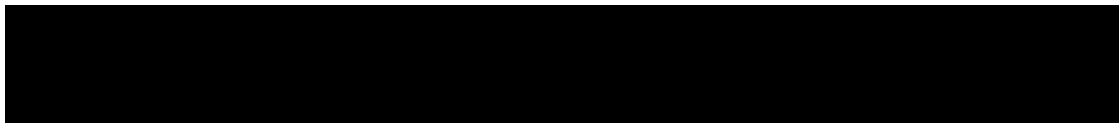
Andrew Donne

Witness:

Trial of the SWS Tool at Endeavour

- 73. During 2016, Endeavour participated in the trial of the SWS Tool conducted by the Department of Social Services. Two Queensland sites participated, being Endeavour's ADEs at Rockhampton and Wacol.
- 74. Our Rockhampton site employs approximately 52 supported employees with an additional 8 non supported employees. The main activities undertaken at the site are the manufacture of wooden stakes and pegs used in the mining and real estate industries and the sale of industrial cleaning cloths.
- 75. Our Wacol site employs approximately 232 supported employees with 12 non supported employees. The main activities undertaken at the site include food packaging and decanting in a clean room environment, shrink wrapping and pet food preparation.
- 76. The methodology for the trial involved an Endeavour representative and an independent SWS assessor, undertaking separate wage assessments of the supported employees who participated in the trial using the SWS Tool. The results of the two assessments were averaged out to determine a final agreed wage assessment for the supported employee.
- 77. The results from the trial at our Rockhampton site for the 10 supported employees who participated was that the assessments resulted in an increase in the percentage to be applied to the Level 2 rate of the Award from 22.8% (using the Greenacres Tool) to 67.7% (using the SWS Tool).
- 78. This means that the supported employee's actual pay rate would have increased from an average rate of \$4.05 per hour to \$12.04 per hour. A copy of the financial modelling is **attached** and **marked AD-8**, the increase shown at row 13.
- 79. The results from the trial at our Wacol site for the 10 supported employees who participated was that the assessments resulted in an increase to the average percentage to be applied to the Level 2 Award rate from 24.1% (using the Greenacres Tool) to 47.6% (using the SWS Tool).
- 80. The means that the supported employees actual rate of pay would have increased from an average of \$4.28 per hour to \$8.47 per hour. A copy of the financial modelling is **attached** and **marked at AD-8** and the increase shown at row 28.

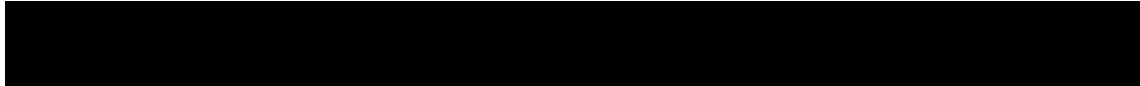
81.



82.



83.



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Witness:

[REDACTED]

84.

[REDACTED]

85.

86. During FY17, the total amount of direct wages paid to supported employees by Endeavour was \$15,295,538 with supported employees working a total of 3,120,338 hours during the financial year.

87. The results of the trial, across the 20 supported employees who participated in the trial, show that the assessment produced an averaged assessed percentage of 57.6% to apply to Level 2 of the Award. Therefore, the average hourly wage of an employee would be \$10.83 (57.6% of \$18.81).

88. Applying the average actual assessed percentage of 57.6% to the Award rate at level 2 (\$18.81) and assuming total hours worked by supported employees during FY18 remained the same at 3,120,338 hours, the total gross direct labour cost for supported employees during FY18 would be \$33,807,489, plus on costs.

89. This would mean an increase of \$18,511,951 in Endeavour's annual labour cost for supported employees.

90. The types of commercial activities undertaken at both our Rockhampton and Wacol sites represents approximately 70% of the commercial operations undertaken at Endeavour's ADEs.

91. There would be similar results replicated at our other ADE sites if we are required to assess all supported employees using the SWS Tool.

Evaluation of the SWS Tool

92. Subsequent to the conclusion of the trial, correspondence dated 14th March 2017 was received by Endeavour from the Department of Social Services. The correspondence attached a copy of an Executive Summary of an Evaluation Report into the Modified SWS trial undertaken by ARTD Consultants at the request of the Department of Social Services. **Attached and marked AD-10** is a copy of the correspondence and the Executive Summary prepared by ARTD Consultants.

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Witness:

93. As the Executive Summary states:

“The purpose of the evaluation was to identify whether the Modified SWS could be applied consistently by ADEs and assessors, whether it would provide an accurate assessment of supported employee productivity, what the wage outcomes would be compared to existing wage tools, and what improvements might be needed if the Modified SWS was to be implemented in ADEs.”

94. The Conclusion contained in the Executive Summary states:

“The Trial has not provided a clear case that the Modified SWS can be consistently applied by ADEs and assessors to provide an accurate assessment of supported employee productivity across the range of ADE operating contexts. However it has not definitively provide that it cannot.”

95. Of relevance to Endeavour is that the Executive Summary highlights shortcomings with the application of the SWS assessment tool identified during the trial including:

Complexity of duties and tasks

- (i) Questions remain about whether the assessment could or should take into account the range and complexity of duties and tasks undertaken by the employee and the relevance of support and supervision the employee needs.
- (ii) There was concern that if job design was not take into account, employees doing more complex tasks at a slower rate could be disadvantaged.

The assessment process

- (i) There did not appear to be provision for those who do not usually complete a task to the required standard on their own (as compared to those who do).
- (ii) There did not appear to be any provision for those completing tasks as a group or on a production line where productivity could be increased or decreased depending on their co-workers capability.

96. These concerns serve to highlight why the SWS Tool is not for Endeavour.

Impact of adopting the SWS Tool

97. If Endeavour is required to adopt the SWS Tool as the only tool available, the consequences would be:

- (a) Many of our ADEs would close as they would not be sustainable; and
- (b) The ADEs which remained open would encompass significant job losses.

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98. Based upon the current level of funding and income generated from our ADEs, Endeavour would be unable to sustain an increase to the rates of pay that would follow if it was required to use the SWS Tool.
99. For those ADEs that remain open, it would be necessary to substantially reduce supported employee numbers as these operations would be unable to continue to offer employment to higher needs employees who have reduced productive capacity.

Why Greenacres is an appropriate and reasonable wage assessment tool

100. Notwithstanding the devastating financial consequences that Endeavour would face if it was required to adopt the SWS Tool as the only wage assessment tool, in any event, the Greenacres Tool is in my view a reasonable method of assessing wage rates for employees who have intellectual disabilities.
101. The SWS Tool was approved by the Australian Industrial Relations Commission to assess wage rates for people with a disability in open employment. The way the system operates is by assessing a role in open employment undertaken by an able bodied employee and then compare that level of productivity with the outputs of an employee with a disability to determine an appropriate wage rate.
102. As outlined above, the vast majority of Endeavour's employees have an intellectual disability and in most cases, the roles have been created so that they can be matched to individual's capacity for work. In this sense, they are not roles which exist in open employment.
103. The Greenacres Tool allows Endeavour to break jobs down into separate tasks which can be undertaken by supported employees who have intellectual disabilities. It assesses three distinct areas of work including the underpinning work skills required for successful employment. It therefore takes into account the challenges faced by a supported employee who has an intellectual disability.
104. The SWS Tool only assesses productivity and does not take into account:
 - (a) Any social or behavioural challenges that the supported employee may have which will impact on their production rate;
 - (b) The complexity of the task. For example, the job may be more complex and therefore take longer to complete;
 - (c) Any vocational skills require to complete the job; and
 - (d) The individual tasks undertaken by the employee are not usually remunerated as individual tasks in open employment.
105. I am concerned that if Endeavour is required to use the SWS Tool for assessing the wage rates for all supported employees, this would also result in pay inequities between employees with different capabilities.

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Witness:

106. A supported employee undertaking a straight forward task (for example placing wooden stakes in a sharpening machine) may be assessed using the SWS Tool as more productive than an employee doing a more complex and challenging task. Such a situation would result in a more capable supported employee undertaking a more complex task being paid less than a supported employee undertaking a simple task. One potential outcome would be supported employees would seek to avoid the more challenging and complex jobs if it is going to result in a reduction in income.
107. Whilst it is the case that all employees have variations in their productivity, with supported employees the variations are often more pronounced and more frequent. It is the case that issues at home and or relationships at work as well as medical issues can have major impacts on the performance of a supported employee. Additionally, supported employees can easily become distracted and go off tasks and it is common that supervisors need to return employees to their work stations. All of these factors mean that there can be significant variations in the productive output of a supported employee from day to day.
108. Supported employment at an ADE is a unique form of employment providing employment opportunities for people who would otherwise likely be unable to secure paid employment. The work which is undertaken is valued both by our customers and by the supported employees themselves and their families.
109. The level of support required to ensure that a supported employee remains engaged in employment is a cost that Endeavour absorbs and factors into its business model along with other costs that are not common in industries that solely employ non-disabled workers. While I do not, in principle, oppose an increase to the wages of supported employees, I do not support any wage increase that has the effect of closing down any of Endeavour's ADEs.
110. The existing wage assessment tools contained in the Award, including the Greenacres Tool, have regard to the unique nature of supported employment at Endeavour, given these are work environments where the vast majority of employees have an intellectual disability.
111. It is not sustainable for Endeavour to remove all the existing wage assessment tools leaving only the SWS Tool which was not designed for supported employment.

Reply to statement filed by Kate Last

112. Endeavour took over SCOPE in May 2015. At the time Endeavour took over this operation, all employees had been transferred to the SkillsMaster Wage Assessment Tool from the BSWAT tool.
113. Documentation held by Endeavour records that on 3 March 2015, Ms Last was assessed under the SkillsMaster assessment and her hourly rate remained at \$8.45. A copy of this letter is **attached and marked AD-11**.
114. Endeavour has no record of Ms Last being offered \$10 per hour as noted at paragraph 6 of her statement.

3457-4955-0342v2

Andrew Donne

Witness:

115. Ms Last was recently assessed during May 2017 under the SkillsMaster assessment, producing an hourly rate of \$7.29. However Endeavour did not reduce her rate and she remains on an hourly rate of \$8.67.

Sworn by the deponent)
at Brisbane)
in Queensland) Signature of deponent
on)
)

Before me:

Signature of witness

Full name of witness:

Qualification of witness:

3457-4955-0342v2

Andrew Donne

Witness:

AD-1 “List of Endeavour’s ADE’s”

List of Endeavour Foundation ADE's

| Endeavour Foundation Industries | Non Supported Employees | Supported Employees | Activities |
|---------------------------------|-------------------------|---------------------|--|
| QLD EFI Sites | | | |
| EFI Bundaberg | 13 | 76 | Sells Industrial Cleaning Cloth Packaging Fresh Food Products, Retail Vegetables, Food Packaging and Decanting in Clean Room Environments Stakes & Pegs |
| EFI Burleigh Heads | 7 | 79 | Food Packaging & Decanting in Clean Room Environments, Shrink Wrapping, General Packaging, Light Assembly |
| EFI Bowen | 2 | 7 | Sells Industrial Cleaning Cloth, Mail Collating, Retail Store and Donation Sorting, Aluminium Can Recycling Coke bagging for blacksmiths, General Packaging Stakes & Pegs |
| EFI Cairns | 9 | 65 | Document Destruction, Printing, Mailing & Collating, Sells Industrial Cleaning Cloths Collating and General Packaging, Food Packaging Stakes and Pegs, Cleaning and Refurbishment of Qantas headsets and pillows |
| EFI Geebung | 16 | 187 | Printing, Mailing and Collating, Sells Industrial Cleaning Cloth General Packaging Stakes & Pegs |
| EFI Gladstone | 4 | 34 | Document Destruction, Mailing & Collating Services, Sells Industrial Cleaning Cloth General Packaging Rag Cutting, Stakes and Pegs |
| EFI Gympie | 2 | 22 | Food Packaging |

| Endeavour Foundation Industries | Non Supported Employees | Supported Employees | Activities |
|---------------------------------|-------------------------|---------------------|--|
| | | | Stakes and Pegs |
| EFI Home Hill | 1 | 12 | Mailing & Collating Services, Sells Industrial Cleaning Cloth General Packaging |
| EFI Innisfail | 2 | 25 | Light Assembly of wheelbarrows (minor manufacturing) |
| EFI Kingaroy | 4 | 29 | Kingaroy Fine Foods/ Chutneys/ Jams/ Biscuits Production, Packaging Fresh Food Products and Catering Stakes and Pegs |
| EFI Mackay | 16 | 69 | Sells Industrial Cleaning Cloth' Collating and General Packaging Stakes and Pegs, Crates, Pallets, Minor manufacturing |
| EFI Mareeba | 3 | 22 | Sells Industrial Cleaning Cloths General Packaging |
| EFI Maroochydore | 10 | 82 | Document Destruction, Mailing & Collating Services & Sells Industrial Cleaning Cloths General Packaging Liquid and Solid Stakes & Pegs |
| EFI Maryborough | 7 | 48 | Collating, Document Destruction Collecting, Sells Industrial Cleaning Cloth Stakes and Pegs, Timber Production, Timber pallets |
| EFI Redcliffe | 10 | 63 | E-Waste Recycling, Metal Fabrication, Document Destruction (pickups only), Sells Industrial Cleaning Cloth Sells Stakes & Pegs |
| EFI Rockhampton | 8 | 52 | Sells Industrial Cleaning Cloth Stakes and Pegs manufacturing |
| EFI Southport | 7 | 79 | E-Waste Recycling, Mailing & Collating, Sells Industrial Cleaning Cloths General Packaging Stakes & Pegs |

| Endeavour Foundation Industries | Non Supported Employees | Supported Employees | Activities |
|---------------------------------|-------------------------|---------------------|--|
| EFI Toowoomba | 11 | 135 | Document Destruction, Mailing & Collating Services & Sells Industrial Cleaning Cloths, General Packaging Food Packaging and Decanting in Clean Room Environments, Packaging Fresh Food Products, General Packaging Stakes and Pegs |
| EFI Townsville | 7 | 49 | E-Waste Recycling, Metal Fabrication, Printing, Mailing & Collating, Sells Industrial Cleaning Cloths, Recycles Airline Headsets General Packaging Stakes & Pegs |
| EFI Wacol | 12 | 232 | Food Packaging & Decanting in Clean Room Environments, Shrink Wrapping |
| EFI Warwick | 18 | 40 | Cardboard & Plastic Collections & Recycling, Document Destruction, Hearths Manufacturing Stakes & Pegs |
| NSW EFI Sites | | | |
| EFI Castle Hill | 10 | 129 | Mail outs, labelling Assembly and sewing general and industrial products |
| EFI Mt Druitt | 31 | 258 | Food Packaging, Powdered Blending and Decanting in Clean Room Environments, Pet Food Packaging, Shrink Wrapping |
| EFI Seven Hills | 12 | 91 | Pharmaceutical Packing, Tablet Bottling, Tablet Blistering, Shrink Wrapping, and Assembly |
| VIC EFI Sites | | | |
| EFI Bendigo | 19 | 19 | Document Destruction, Cardboard & Plastic Collections & Recycling, Materials Recovery Facility (MRF) |
| EFI Keon Park | 17 | 131 | General, Food Packaging |

| Endeavour Foundation Industries | Non Supported Employees | Supported Employees | Activities |
|---------------------------------|-------------------------|---------------------|--|
| EFI Kew Packaging EFI QArt | 12 | 89 | Food Packaging, General Packaging, Artwork |
| EFI Maribyrnong | 5 | 75 | Food Packaging, General Packaging |
| EFI Norlane | 3 | 30 | Food Packaging, General Packaging |
| EFI Oakleigh | 17 | 90 | Food Packaging, General Packaging |
| Grand Total | 341 | 2338 | |

AD-2 “Analysis of Wage Assessment Tools Used by Business Services Report”

JENNY PEARSON & ASSOCIATES PTY LTD
ABN 17 083 644 508
CONSULTING FOR THE HUMAN SERVICES SECTOR

Analysis of Wage Assessment Tools used by Business Services

Final Report (Incorporating 22 wage tools)

**Prepared for the Commonwealth Department of Families,
Community Services and Indigenous Affairs**

12 April 2006

JENNY PEARSON & ASSOCIATES PTY LTD

Part One

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PART ONE

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Note: This report includes comments received from stakeholders. The views and opinions expressed in this report may not necessarily be those of the consultant (Jenny Pearson & Associates Pty Ltd) or the Department of Families, Community Services and Indigenous Affairs.

Executive Summary

This analysis of wage assessment tools used by Business Services was undertaken to provide information to assist with consideration of an application by the Liquor, Hospitality and Miscellaneous Workers Union to the Australian Industrial Relations Commission to vary the ALHMWU Supported Employment (Business Enterprises) Award 2001. The union's requested variation is to include in the Award the Business Services Wage Assessment Tool (BSWAT), or a tool that delivers 'equivalent or better' wage outcome.

The research for this analysis has involved two main activities:

- review of documentation regarding wage assessment in Business Services that has been provided to the consultant by FaCS and the Business Services participating in the project; and
- interviews with Business Service representatives regarding the wage assessment tools used.

Information from the owners/developers and some users of nine wage assessment tools is documented in this report. Of the wage assessment tools identified, the most frequently used (based on owner estimates) are:

- BSWAT (used by 111 Business Services);
- Greenacres Association Competency Based Wages System (40 Business Services);
- Skillmaster Wage Assessment Tool (20 Business Services);
- FWS Wage Assessment Tool (15 Business Services); and
- Yumaro Wage Assessment Tool (15 Business Services).

Some of the tools have been developed in close consultation with unions and all have satisfied industrial relations requirements. Most also have documented evidence of compliance with Disability Service Standard 9.

Key differences have been identified when the reviewed wage assessment tools were compared with the BSWAT. For example:

- the use of independent external assessors for the BSWAT; and
- the use of an interview process and oral questions to determine the worker's core competencies in the BSWAT (albeit with some input from supervisor's observations).

In general terms, the other wage assessment tools and processes tend to:

- use internal staff to collect assessment data (all have a review process and most also use multiple assessor input to control for personal bias, etc);
- have a greater focus on competency assessment (with the exception of one productivity-based tool);

- have a three month or longer period for competency data collection; and
- use observation and performance as the main methods of assessing competency, rather than employee interview.

In many cases, the Business Services using these tools have identified reasons why they consider the BSWAT would not be appropriate for their business and/or their employees.

A consistent and reliable measure to compare wage outcomes across agencies was not found. Average hourly wage rate which would seem to be the obvious measure has too many confounding variables to provide a reliable comparison. Findings from quality audit reports, anecdotal information and the limited wage data that is available suggest that these alternative tools are delivering fair wage outcomes.

It is evident that flexibility is required to accommodate the diverse nature of the types of products and services produced by Business Services and the range in types of disabilities and support needs of their workforce populations. In other words, a single wage assessment tool, from those currently available, is not likely to meet the needs of all Business Services.

The evidence provided by tool owners indicates that all the tools reviewed in this report satisfy the *Good Practice Guide to Wage Determination* criteria (FaCS, 2001) provided that the tools are implemented according to their documented procedures. It is important that this standard is maintained and specific performance indicators for each of the Good Practice criteria might assist quality auditors to determine that wage assessment processes meet the criteria.

1. Introduction

The Australian Government Department of Family and Community Services has contracted Jenny Pearson & Associates Pty Ltd to undertake an analysis of wage assessment tools used by Business Services.

The analysis will be used to assist with consideration of an application by the Liquor, Hospitality and Miscellaneous Workers Union to the Australian Industrial Relations Commission to vary the ALHMWU Supported Employment (Business Enterprises) Award 2001, to include the Business Services Wage Assessment Tool, or a tool that delivers 'equivalent or better' wage outcome.

1.1 *Requirements of this Research*

The purpose of this research is to provide an independent report on the most commonly used wage assessment tools, the way they operate and the outcomes they deliver and to make this research available to the Australian Industrial Relations Commission.

The specific requirements of the consultant are to:

- analyse information the Department holds about wage assessment tools used in Business Services;
- develop a detailed description of the most commonly used tools, how they work and the wage outcomes the tools produce for consumers (for up to six tools in common use and an additional three tools if indicated);
- rate the tools against the criteria outlined in the Good Practice Guide to Wage Determination;
- compare the commonly used tools against the Business Services Wage Assessment Tool;
- consult with other Business Services who wish to have input to this project, including users of the BSWAT; and
- present an Interim report by 20 January 2005 and a final report detailing the above descriptions, ratings and comparisons by 19 February 2005.

1.2 *Summary of Methodology*

The methodology for this project has involved two main activities:

- review of documentation regarding wage assessment in Business Services that has been provided to the consultant by FaCS and the Business Services participating in the project; and
- interviews with Business Service representatives regarding the wage assessment tools used.

The descriptions of the wage assessment tools documented in this report are derived from information provided by the Business Services and other organizations that own the

tools. Drafts of the descriptions were provided to the respective wage assessment tool owners for feedback prior to inclusion in the report.

The wage assessment tools were rated against the Good Practice Guide to Wage Determination Criteria. One additional criteria (process for disputing/ appealing the outcome) was also included.

The time frame for the research is limited and has not allowed for on-site audit or observation of assessment processes to occur.

1.3 Stakeholders Consulted

ACROD has assisted in contacting Business Services who may be interested in participating in this project. FaCS also distributed information about the research to service providers via E-News bulletin.

Information from the owners/developers and some users of nine wage assessment tools is documented in this report. A further 14 Business Services also expressed an interest in the research and were interviewed by the consultant (the majority of these use the BSWAT). Information, including issues raised by Business Services that was not directly relevant to the terms of reference, was provided separately to FaCS.

Of the wage assessment tools identified, the most frequently used (based on owner estimates) are:

- BSWAT (used by 111 Business Services);
- Greenacres Association Competency Based Wages System (40 Business Services);
- Skillsmaster Wage Assessment Tool (20 Business Services);
- FWS Wage Assessment Tool (15 Business Services); and
- Yumaro Wage Assessment Tool (15 Business Services).

The five other tools described in this report are used by the owner organizations only at this stage.

1.4 Structure of this Report

In section 2, the report provides a description of the BSWAT and how this assessment process works. Detailed descriptions of nine other wage assessment tools used by Business Services follow. These are presented in alphabetical order.

A summary of the ratings of these wage assessment tools against the Good Practice Guide to Wage Determination Criteria appears in section 12 and comparison of the tools with the BSWAT in section 13, with conclusions presented in section 14.

2. Description of the Business Services Wage Assessment Tool (BSWAT)

2.1 Owner/Developer of the Tool

The BSWAT was developed for the Department of Family and Community Services and the Department is the owner of the tool.

2.2 Type of Tool

Hybrid – Productivity and Competency based.

2.3 Number of Business Services Using This Tool

As at August 2004, 155 Business Services around Australia were using the BSWAT.

2.4 History and Development of the Tool

The BSWAT was developed and tested independently with assistance from a reference group including Business Service, union and worker representatives

2.5 Content and Structure of the Tool

The BSWAT is an award-based, pro-rata wage assessment that assesses worker productivity and competency using new and existing workers' information.

Competency Component

The competency assessment is comprised of 8 units of competency. This includes 4 core units against which all workers are assessed and up to 4 industry-specific units of competency that relate directly to the work being performed by the worker. The industry-specific units are selected from the National Training Framework and assessed in accordance with these requirements.

The four core competencies are:

1. Follow Workplace Health and Safety Practices
2. Communicate in the Workplace
3. Work with Others
4. Applying Quality Standards

Each of the four core competency units has associated questions that are used by the supervisor and assessor to determine if the worker demonstrates the required knowledge to be deemed competent in a particular aspect of work performance. For example in core competency 1 *Follow Workplace Health and Safety Practices*, the assessor determines the worker's ability to follow safety procedures, identify hazards and respond to workplace emergencies. The worker is asked to demonstrate their knowledge of the following:

- What to do if they or someone else hurts themselves at work.

- The importance of using/ wearing protective clothing or equipment.
- What is a workplace hazard?
- Take appropriate action when they notice something is unsafe at work.
- Take appropriate action if the fire alarm goes off.
- Why is it important to follow evacuation procedures?
- Using appropriate methods to move objects in the workplace.

There are also example actions and answers that would indicate the worker's competence and associated variables and an evidence guide for supervisors and assessors to refer to.

After CRS Australia assessors have completed analyzing the characteristics of the workplace and the jobs that people do, up to four industry-specific competencies for each worker are identified and agreed upon with the Business Service. These are used by the assessor and can also be used by the Business Service to inform future training needs.

Productivity Component

The productivity component of the BSWAT wage assessment compares the worker's output with an industry benchmark or comparator (i.e. the expected level of output required of a worker who would be entitled to the full award rate of pay). This may be expressed as *a number of units* that the worker can produce in a set time or the *time* it takes the worker to produce a certain number of units or to complete a task. The productivity measure may include data gathered by the Business Service as well as data collected by the CRS Australia assessor.

Industry benchmarks or comparators can be established industry standards of output for a particular task or machine or the Business Service may set its own benchmark or comparator using a non-disabled co-worker, supervisor or another worker with a disability who is able to perform the particular task to the expected standard.

The supervisor selects up to five main tasks that the worker performs and describes these clearly, including the start and end points. At least three timings of the worker are collected for each task and recorded in the Supervisor's Workbook, along with information about the comparator that was used and quality levels. Any marked variability in the worker's performance is brought to the attention of the CRS Australia assessor. The CRS assessors also observe the worker's productivity.

Where the tasks upon which a productivity assessment has been based comprise significantly different proportions of the worker's workload, productivity scores may be 'weighted' when calculating the overall productivity assessment component.

Written guides explaining the wage assessment process are provided for supervisors and workers.

2.6 Assessment Process

CRS assessors usually conduct multiple assessments at a site. Competency and productivity assessments may therefore be conducted over a number of assessment sessions in order to minimize a 'snapshot' effect in the assessment.

The assessors use a variety of data to support their assessment decisions, including:

- direct observation;
- questioning and interviewing; and
- third party reports from the supervisor/ manager (the supervisor completes an assessment workbook for each worker).

Supervisors are required to:

- be familiar with the worker;
- have provided supervision to the worker on a regular and recent basis;
- observe the worker in their usual work roles and see whether they demonstrate a required level of competency;
- consider how productive the worker is against identified performance benchmarks; and
- record their observations and date them in the Supervisor's Assessment Workbook for use during the assessment process.

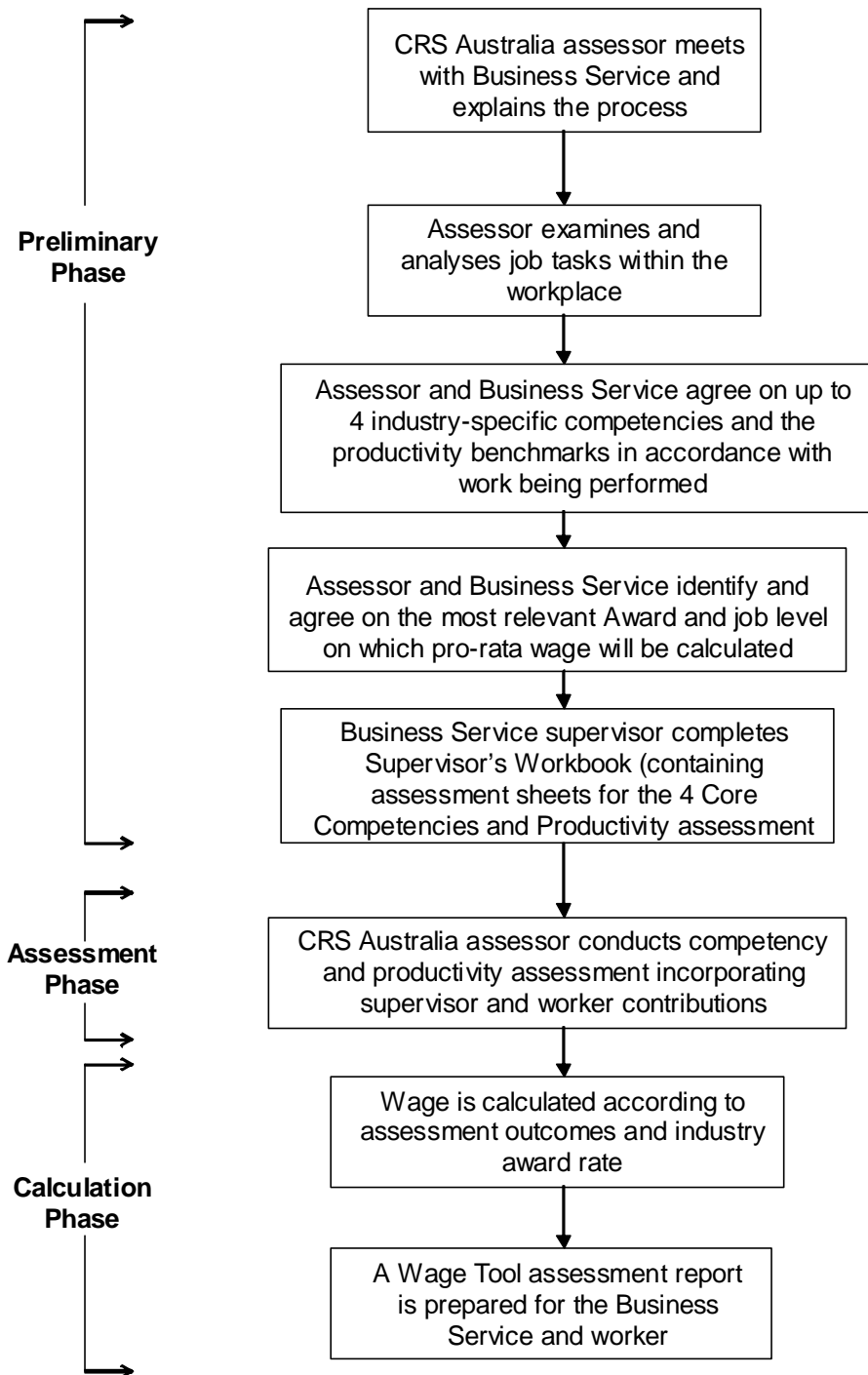
Assessors meet the worker and observe them in the workplace, list the key functions/ tasks and then select the most relevant units of competency to comprise the industry-specific component of the assessment after reviewing the National Training Information Service website. The website includes a description of the elements of competency, the evidence required to demonstrate competency and the underpinning knowledge and skills required in order to be deemed competent. Assessors identify each competency by name and code.

A software application assists the assessors to complete the assessment components and calculate the wage correctly.

A review date of up to three years from the date of assessment is set and is stated on the report sent to the employer and worker. This date may be amended at any time by request of the worker or employer. Where a worker is entering employment for the first time, an initial assessment is conducted between 12 weeks and 6 months from commencement of employment and remains in effect for an establishment period of 12 months, whereupon the initial assessment is reviewed.

The assessment process is summarized in the following diagram.

Summary of the BSWAT Assessment Process



2.7 Scoring and Wage Calculation

The competency component and the productivity component of the BSWAT are scored separately, with the results combined to determine an overall pro-rata wage rate.

The wage calculation formula is:

$[(Competency \% \text{ plus } Productivity \%) / 2] \times \text{the Award wage rate per hour}$

In other words, the average of the workers competency and productivity percentages multiplied by the award rate.

For example, if a worker is assessed as competent in 4 of 8 competency units (i.e. Competency 50%) and produces output at 4 units per hour when the benchmark productivity rate is 10 units per hour (i.e. Productivity 40%) and the award wage rate is \$10 per hour, this worker's pro-rata wage will be:

$[(50\% + 40\%) / 2] \times \$10 = 45\% \times \$10 = \4.50 per hour

Information Sources:

Documents provided by FaCS and information obtained from FaCS and CRS Australia websites. See Reference List at end of this report for further details.

3. Civic Industries Supported Employees Wage Assessment Tool

3.1 Owner/Developer of the Tool

Civic Industries

3.2 Type of Tool

Hybrid

3.3 Number of Business Services Using This Tool

One (Civic Industries)

3.4 History and Development of the Tool

The process of developing the Civic Industries Wage Assessment tool began over 6 years ago. Civic Industries first used the Greenacres wage assessment model with its components of work associated competencies and task skills. Six staff completed training in the use of the Greenacres wage assessment tool.

Civic Industries then simplified the Greenacres tool. Further work associated with the introduction of a Certified Workplace Agreement and compliance with Disability Service Standard 9 resulted in other amendments. Civic Industries had significant input from Phil Amos, developer of the Skillsmaster system, and other aspects were introduced to the wage determination process.

Civic Industries describes their current wage assessment tool as a hybrid of the Greenacres tool and Skillsmaster system. It was thought that the Skillsmaster system would be too difficult to implement at Civic Industries because of the enormous range of work tasks that were done, however, recent amendments to the Skillsmaster system may make the system more appropriate and the system will be looked at again in February 2005.

Civic Industries were able to compare the wage outcomes achieved using their new tool with the wage outcomes from the Greenacres tool. A 'classic time study' was done and a 'sensitivity test' was put over the system.

An overemphasis on productivity present in some other wage assessment systems was avoided. It was suggested that many of the jobs done at Civic Industries would not be done in the real world of open employment and that a productivity-based tool could be unrealistic and impractical in a supported employment context.

Civic Industries describes its wage assessment system as "revolving around constant assessment and review of what employees can do, how well they can do it, and what support is needed from Civic Industries".

3.5 Content and Structure of the Tool

The Civic Industries Wage Assessment Tool has six components:

1. The Determined Wage Level
2. Employee Task Skills
3. Employee Work Associated Competencies
4. Training & Support levels
5. Behaviour Management Support levels
6. Output measures

1. Determined Wage Level

This is the wage level allocated to a job or part of a job (task).

When a job is received into Civic Industries, it is assessed by the Factory Manager, Assistant Factory Manager, an Employee Representative and the Vocational Training Coordinator and allocated a wage level (A, B, C, D or E) based on the Skills Matrix and Job Models detailed in Schedule B of the Workplace Agreement.

A Task Analysis is prepared for each job and each job stage, and a wage level is allocated for each stage.

2. Employee Task Skills

Each employee has a Training Matrix that identifies all jobs and job stages for which the employee has received training. The Training Matrix identifies which competencies have been achieved, and in which areas employees have not achieved competence. Competence is assessed by trained workplace assessors.

The wage levels allocated to the jobs and job stages (in step 1 above) are entered into the employee's Training Matrix.

The highest wage level at which the employee is assessed as being competent is the wage level used for wage assessment purposes.

3. Work Associated Competencies

The Work Associated Competencies of each employee are assessed three times per year. Each 'set' of Work Associated Competencies is allocated a Wage Level (as per Schedule B of the Workplace Agreement).

For example, at Wage Level A the Work Associated Competencies are those of the Training & Support Level plus:

- Independent Work Practice (A)
 - Works consistently with work supervisor present
 - Makes basic decisions regarding own work
 - Does not distract others
 - Remembers instructions minutes after they are given
- Working Consistently (A)
 - Requests more work as task is completed
- Flexibility (A)
 - Adapts to change i.e. moves to new task
- Quality Control (A)
 - Can check work and recognize errors
- Workstation (A)
 - Maintains a clean and tidy workstation

- Teamwork (A)
 - Demonstrates positive interaction with co-workers

By Wage Level E, the Work Associated Competencies are those of Training & Support and modules A, B, C and D plus:

- Independent Work Practice (E)
 - Shows initiative concerning work station or work section and makes decisions
 - Repairs all machinery in assigned production unit
- Working Consistently (D)
 - Encourages co-workers to maintain on task behaviour
- Flexibility (E)
 - Takes independent action to meet urgent requirements of production unit
- Quality Control (E)
 - Checks work completed by co-workers and corrects where necessary
- OH& S (E)
 - Identifies potential malfunctions in machinery/tools and notifies relevant staff
- Workstation (E)
 - Completes basic documentation for production unit
- Teamwork (E)
 - Understanding of workplace schedules and encourages co-workers to meet production demands

The Work Associated Competency assessment informs the training needs of employees and the goal-setting within Career Plans. The assessments form the basis of consultation at Career Plans and reviews.

The Work Associated Competency Wage Level is the wage level applicable to the Work Associated Competency 'set' at which the employee has been assessed.

4. Training and Support Levels

The assessment of training and support needs is based on daily reports of Trainer/Supervisors, observations and notes from the Vocational Training Coordinator, review of the Training Matrix and consultation with the employee and their support person(s) during Career Plans and reviews.

There are four levels of assessed Training and Support needs: High, Medium, Low and Nil.

5. Behaviour Management Support Levels

The assessment of behaviour management support is based on daily reports of Trainers/ Supervisors, observations and notes from the Vocational Training Coordinator, review of the Training Matrix and consultation with the employee and their support during Career Plans and Review.

There are four levels of assessed Training and Support needs: High, Medium, Low and Nil.

6. Output

Output is measured regularly in line with the Career Planning and review process and any major shifts in task skill requirements. Output averages are determined using a standard time formula that takes account of variables such as non-incentive, monotony, fatigue and personal needs. The employee's average output levels are entered on each

Task Analysis. There are three output levels: Below Average, Average and Above Average.

3.6 Assessment Process

A task analysis is done for each job and a wage level is assigned to each aspect of the job. The whole job might be rated at one wage level but parts of the job may be at other wage levels.

Employee task skills are identified using a Matrix which shows both the tasks in which employees are competent and those in which they are not yet competent (the latter information being used for training purposes). The highest wage level at which the employee is competent is the starting point for the calculation of the employee's wage.

The employee's Work Associated Competencies are assessed three times a year. The wage level for the Work Associated Competencies 'set' at which the employee has been assessed is used in the wage calculation.

Daily reports, observations and notes from the employee's Trainer/Supervisor and the Vocational Training Officer are used to determine the employee's Training & Support Level and Behaviour Management Support Level.

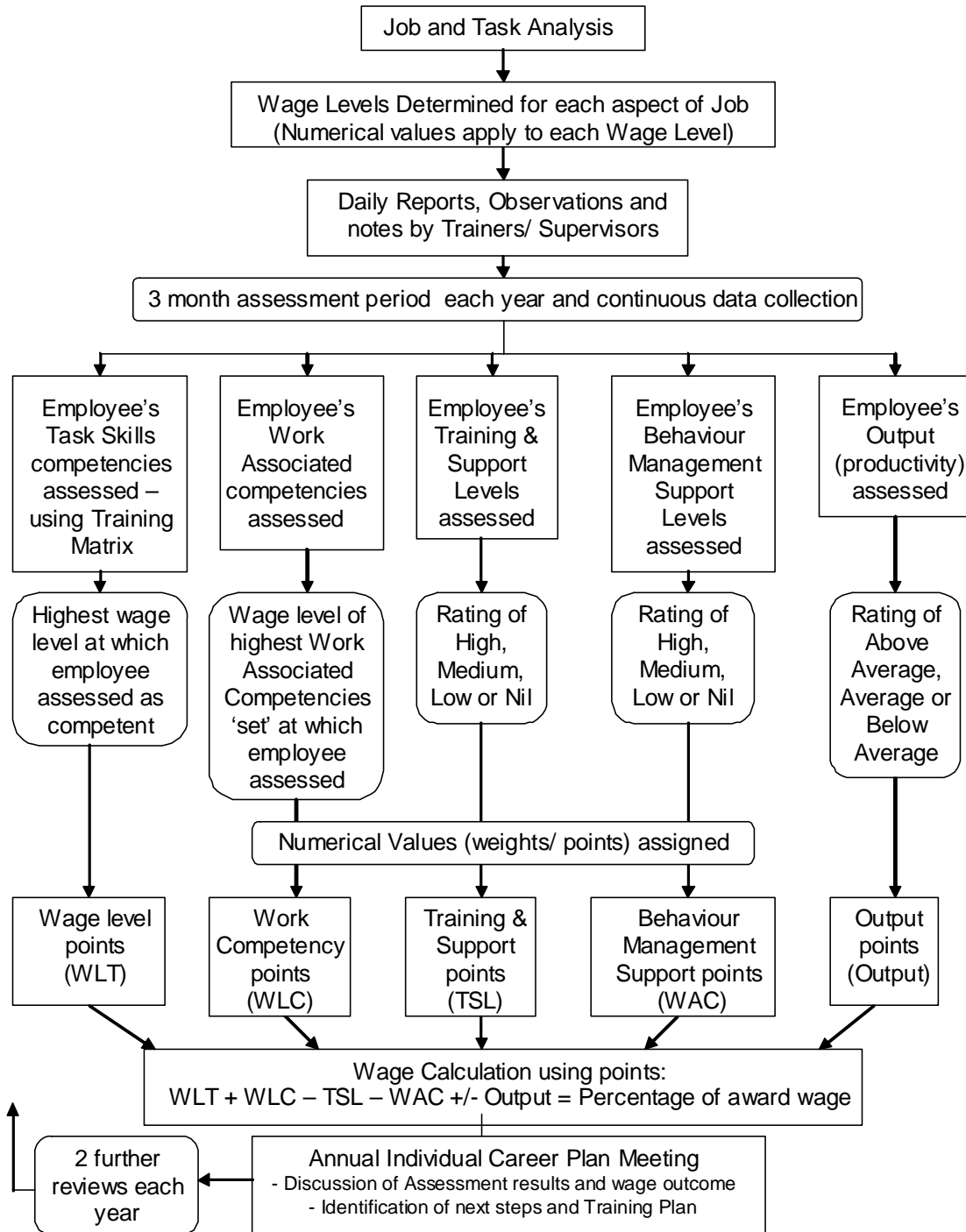
Output (productivity) measures are collected based on three observations. Assessment data is reviewed by trained workplace assessors, Vocational Training Officer and Factory Manager. The results are also discussed with the employee (and their significant others) to determine the level of support required.

The employee's wage rate is then calculated using the process and formula described in *3.7 Scoring and Wage Calculation*.

Once per year, the assessment information feeds into the Individual Career Plan process. The assessment results are discussed at the employee's Career Plan meeting with the employee and their significant others present. Steps are also identified to help the employee to achieve the next wage level.

The assessment process is summarised in the following diagram:

Summary of Civic Industries Wage Assessment Process



3.7 Scoring and Wage Calculation

Each of the 6 wage assessment components results in a numerical value (weighting).

1. Determined Wage Level
Each Wage Level (A, B, C, D and E) has a numerical weighting:
A = 10
B = 20
C = 30
D = 40
E = 50
2. Employee Task Skills
The highest wage level at which the employee has been assessed as competent is used in the Wage Calculation and has a numerical weighting as per 1. above.
3. Work Associated Competencies
The wage level applicable to the Work Associated Competency 'set' at which the employee has been assessed has a numerical value as per 1. above.
4. Training and Support Levels
Each assessed Training and Support Level has a numerical weight:
High = -45
Medium = -25
Low = -10
Nil = 0
5. Behaviour Management Support Levels
Each assessed Behaviour Management Support Level has a numerical weight:
High = -25
Medium = -15
Low = -5
Nil = 0
6. Output
Each assessed output level has a numerical weight:
Below Average = -30
Average = 0
Above Average = +10

The Wage Calculation Formula is as follows:

Employee's Task Skills Wage Level (WLT)
PLUS Employee's Work Associated Competencies Wage Level (WLC)
MINUS Employee's Training and Support Level (TSL)
MINUS Employee's Behaviour Management Support Level (WAC)
PLUS/MINUS the Employee's Output Level
i.e **WLT + WLC – TSL – WAC +/- Output = Percentage of the Award Wage to be paid**

For example, if an employee is assessed across the range of work tasks that they undertake and the highest wage level of any of the tasks in which the employee is assessed as competent is Wage Level C, then WLT for this employee = 30.
If the Work Associated Competency 'set' at which the employee is assessed is at Wage Level B, then WLC = 20.

If the employee's Training and Support levels are assessed as 'Medium', then TSL = -25.

If the employee's Behaviour Management Support Levels are as assessed as 'Low', then WAC = -5.

If the employee's Output is assessed as Average, then the numerical weight for Output = 0.

The Wage Calculation for this employee is:

WLT + WLC – TSL – WAC +/- Output, i.e.

$30 + 20 - 25 - 5 + 0 = 20$.

This employee would therefore be paid 20% of the award wage.

3.8 Good Practice Guide to Wage Determination Criteria

3.8.1 Compliance with Relevant Legislation and Standards

SAI Global Assurance Services made the following comments in their audit report, dated May 2004:

"Civic industries offer employees work conditions, opportunities and benefits that reflect that of an employee undertaking work in a similar industry and in accordance with the Civic Industries (Supported Employees) Workplace Agreement 2003. . .

After reviewing the wage system and the wage assessment process, the process for determining pro-rata wage rates appears to be transparent and clear. The wage outcome can be validated by the objective criteria. There is opportunity for advancement and the level is not downgraded due to a drop in performance or other reason." (Audit report comments in respect of KPI 9.1)

The Australian Industrial Relations Commission also considered that the wage system was consistent with the KPI for Standard 9.1 (refer Industrial Relations section (g) below).

3.8.2 Validity

Civic Industries considers that its wage assessment tool is more rigorous than some other wage assessment systems. It has passed the sensibility test and no grievances have been upheld.

The process is explained to employees, their families and advocates at Individual Career Plan meetings and training groups are held with regard to the Disability Service Standards, wage assessment system etc.

The Civic Industries tool is similar to the Greenacres tool and the model used for the Skillsmaster system.

3.8.3 Reliability

Civic Industries describes the collection of data as the key to the wage assessment tool's objectivity. Large amounts of documented observations and other records

are maintained and this is done intensively over a three month period and then continuously over the rest of the year.

There are at least three staff regularly on the production floor observing employees' performance. Assessment data goes through a review process with the Vocational Training Manager and Factor Manager and the employee involved. The assessment result is therefore determined by a number of assessors over an extended period of time.

No one person controls the assessment process or outcome, and comprehensive evidence is collected on a continuous basis

3.8.4 Wage Outcomes

There was an average increase of 45% in employees' wages when the tool was applied.

There is a minimum wage of \$1.15 per hour at entry level and the maximum that an employee can earn under the Civic Industries agreement is 110% of the award (although it is noted that at this level, the employee should probably be in open, not supported, employment.)

There is also provision to override the wage calculation and strike a fair wage commensurate with the employee's other contributions to the workplace, for example, if an employee has very challenging behaviours or constantly requires retraining.

The organisation's financial viability is not taken into account when determining wage assessment outcomes.

3.8.5 Practical Application of the Tool

Civic Industries describes the data collection process as "rigorous and time-consuming". Case-based funding also requires a similar process and there is the potential to adjust observation forms, etc to cover both processes.

Civic Industries suggests that there is no easy answer to determining wages but the Civic Industries tool is appropriate to their situation and can be used for any multi-disciplined Business Service setting.

3.8.6 Administrative and Cost Implications

As the Civic Industries tool involves in-house assessment rather than purchased external assessment, the main costs are in staff time. Civic Industries estimates that approximately 35 hours of staff time per employee per year is required for processing documentation and observation data and conducting the individual meeting for the wage assessment and case based funding purposes. This would represent an actual cost of between \$800 and \$1,200 per employee.

Data collection is an integral and continuous requirement of the trainers/supervisor's role and as such would not be separated for costing purposes.

It was noted however that the data collection requirements had increased significantly due to both the wages system and case based funding.

3.8.7 Industrial Relations

The decision of Senior Deputy President Marsh of the Australian Industrial Relations Commission, in relation to the 'no disadvantage test', included the following:

"I am satisfied that the wage rates which reflect percentages of the classification structure contained in the designated award . . . have been adequately assessed and meet KPI 9.1 of Standard 9 Employment Conditions of the Disability Services Standards and Key Performance Indicators . . . In particular, the rates have been assessed using indicative tasks and making appropriate comparisons, including the skill and performance of people with and without disabilities . . . All other statutory requirements have also been met as set out in the statutory declaration filed in accordance with the Rules of the Commission." (Australian Industrial Relations Commission, Civic Industries Supported Employees Workplace Agreement 2003, Reasons for Decision, Sydney 17 February 2004)

3.8.8 Links to Training

The wage assessment process links to the employee's job skills and training matrix. The Work Associated Competencies are all tied to national competencies. Work skills training is provided in-house and the potential for external training exists through TAFE.

3.8.9 Process for Disputing/Appealing the Outcome

There is an appeals mechanism through which employees can appeal a wage assessment decision. To date, there have been 2 appeals, but neither of these was taken further by the employees, once the process and reasons for the decision were explained.

In some cases there is pressure from families of employees to restrict wage levels due to perceived effect on the employee's Disability Pension. In these cases, the financial benefits of a wage increase are explained.

Information Sources:

- Telephone Interview with Eugene Pickerd, General Manager Civic Industries
- Written information provided by Eugene Pickerd including extracts from quality audit report May 2004, AIRC 'Reasons for Decision' re Civic Industries (Supported Employees) Workplace Agreement 2003.

4. Elouera Association Wage Assessment Tool

4.1 Owner/Developer of the Tool

Elouera Association Inc

4.2 Type of Tool

Hybrid

4.3 Number of Business Services Using This Tool

One (three branches of Elouera Association Inc use the tool).

4.4 History and Development of the Tool

Elouera Association Inc was involved in trials of the BSWAT and did not consider that this tool provided a fair and accurate assessment of an individual's productivity and contribution to the business.

Elouera developed a wage assessment tool based on the principles of the BSWAT but which took competencies into account as well as timed productivity. Although key areas of the BSWAT were incorporated in the tool, the level of detail and the nature of the assessment items were different. Some items from the DPI and DMI assessments were also included.

Research and testing of the Elouera Association Inc Wage Assessment Tool included trialling the tool and timing all employees on the various production tasks. Computer analysis of trial data showed that wage outcomes from the Elouera wage assessment tool followed a similar pattern for individual employees to the wages the organisation had been paying previously.

Staff who reviewed the Elouera tool assessment and wage outcomes reported a high level of confidence with these outcomes and considered that the assessment provided a good picture of the individual's work performance. As Elouera had participated in BSWAT trialling, the Elouera Association Inc Wage Assessment Tool results could be compared with the BSWAT results

Prior to implementation, training on the new wage assessment system was provided so that everyone understood how the wage assessment tool worked and how wage outcomes are determined.

To date, the tool has not been tried in other organisations.

4.5 Content and Structure of the Tool

The Elouera Association Inc Wage Assessment Tool assesses employees' competencies and productivity rates.

The wage assessment tool is designed as a computer spreadsheet on which percentage results for all productivity and competency items assessed for the employee are entered. Formulas in the spreadsheet calculate the percentage wage outcome.

Task Assessment

Four core areas of Task Productivity are assessed:

- Component manufacture;
- Assembly;
- Plant; and
- Painting and Packaging

Each core area is broken down into job skill components. Some of these are assessed on the basis of productivity timing and some on the basis of competency. A maximum of four components for each core area may be assessed on the basis of productivity. For example, Task 1, *Docking Boards*, has the following task components:

- 1.1 Docking Planking and Bearers (Productivity assessment)
- 1.2 Set up Saws and Stops Panel, Multi Rip and Docking (Competency assessment)
- 1.3 Process Planking on Multirip Saw (Productivity assessment)
- 1.4 Point Survey Pegs (Productivity assessment)
- 1.5 Tail out Ply and Survey Pegs (Competency assessment)
- 1.6 Maintain Work Area (keep sawdust clear of bridge and floor) (Competency assessment)
- 1.7 Cut Ply Sheet to Specified Size (Productivity assessment)

There is a *Test Sheet* for each assessment item and this identifies the Key Performance Indicators (drawn from National Industry Standards) against which the employee is to be assessed, and how the assessment is to be performed. This ensures that there is consistency in the assessment process for all employees. For example, the Test Sheet for task component 1.1 above, *Docking Boards*, is shown below:

| |
|--|
| <p>Key Performance Indicators – Industry Competency</p> <p>FPIC2003A/02</p> <ul style="list-style-type: none"> • All uneven boards are removed • Cuts are made to required nominal lengths within specified tolerances • Cuts are made to required visual appearance grade • Machine or processing faults are reported to supervisor |
| <p>Description of Test Conducted</p> <p>The number of planks docked correctly in a 1.5 hour period measured at three different times Bearers for Pallets are to be used for this test</p> |
| <p>Materials Used</p> <p>90 X 35 X 2400 minimum length timber Docking Saw of choice</p> |
| <p>Additional Notes</p> <p>This test can be conducted from production sheets over given periods. Each work period is for 1.5 hours Ensure no other tasks are given over this time The employee does not need to know exactly what periods are being timed</p> |

Productivity assessment is based on at least three 1.5 hour timings. Productivity is measured as a proportion of the productivity rate that can be achieved by a supervisor, or by other employees if this is higher.

Standardised *Rating Categories* are used for competency assessment as shown in the table below.

| Rating Category | Description |
|--|--|
| 100% No assistance required / Is fully capable | Consistently achieves this ability with no prompts, counselling or other assistance |
| 80% Requires assistance once per month but not weekly / Most of the time | Needs occasional, brief prompts, counselling or other support (no more than once per month) |
| 60% Requires assistance once per week but not every day / Some of the time | Needs occasional, brief prompts, counselling or other support (no more than once per week) |
| 40% Requires assistance once per day but not every hour / Occasionally | Needs occasional, brief prompts, counselling or other support (no more than once per day) |
| 20% Requires full support at least once per hour / Never | Needs more frequent and intensive prompts, counselling, physical assistance or other support (at least once per hour, or more) |
| N/A | Not Applicable to this employee |

Both productivity and competency based assessments result in a percentage rating. Productivity is a percentage of the able-bodied productivity rate for the task component and competency is a percentage according to the rating category selected by the assessor (as per the table above). For the purposes of wage determination, only competency assessed task components with 100% ratings are used (consistent with an instruction from FaCS that staged competencies cannot be used for wage determination). In some cases, judged on their merits, ratings of 80% may be classed as competent (i.e. considered to be 100%). The ratings below 100% are used by Elouera for the purposes of training and individual planning.

Core Skills Competency Assessment

In addition to Task assessment, four Core Skills Competencies are assessed:

- 1 Workplace Health and Safety Practices;
- 2 Communicate in the Workplace;
- 3 Team Work and Communications; and
- 4 Applying Quality Standards

Each of these core skills is broken down into component items/ questions. For example, the component items for area 1. *Workplace Health and Safety Practices* are:

Identify & Report OH&S Hazards

- Hazards in the workplace are recognised and are reported to the appropriate person
- Procedures for reporting and dealing with accidents and injuries in the workplace are understood
- Can read and understand safety signs and information
- Emergency and evacuation procedures are understood and carried out to workplace standards

Conduct Work Safely

- Work for which protective clothing or equipment is required is identified and is used appropriately
- Basic safety checks on equipment are undertaken prior to operation
- Works in a manner that is safe to themselves and others working around them
- Manual handling tasks are carried out accurately to recommend safe practice
- Waste and dangerous materials are disposed of safely in accordance with the requirements of the workplace and legislation.

The same Rating Categories used for task competency assessment (shown in the preceding table) are used for Core Skills Competency assessment

4.6 Assessment Process

Written guidelines and task sheets are used by the staff conducting the assessments, all of whom have Certificate IV in Workplace Assessment and Training, in addition to in-house training in the wage assessment process.

Collecting Assessment Data

Staff who work with individual employees collect the assessment data in the month preceding the employee's Individual Plan Meeting/ annual review. (Initial assessment is not done until the employee has been with the organisation for at least 3 months).

Employees are advised that they may be timed doing certain tasks but they may not be aware of when timing is being done. Productivity for each Task Skills component is measured during three random 1.5 hour periods over two weeks. Some timing data may also be obtained from routine production sheets (with appropriate safeguards).

Using the Task Sheets and Guidelines as a reference, the assessors collect the Task Skills and Core Competency Skills assessment data.

Assessors cross-check assessment results with other staff and are supervised by the Elouera Association Human Resources Officer. All assessments are reviewed by the General Manager who developed the tool.

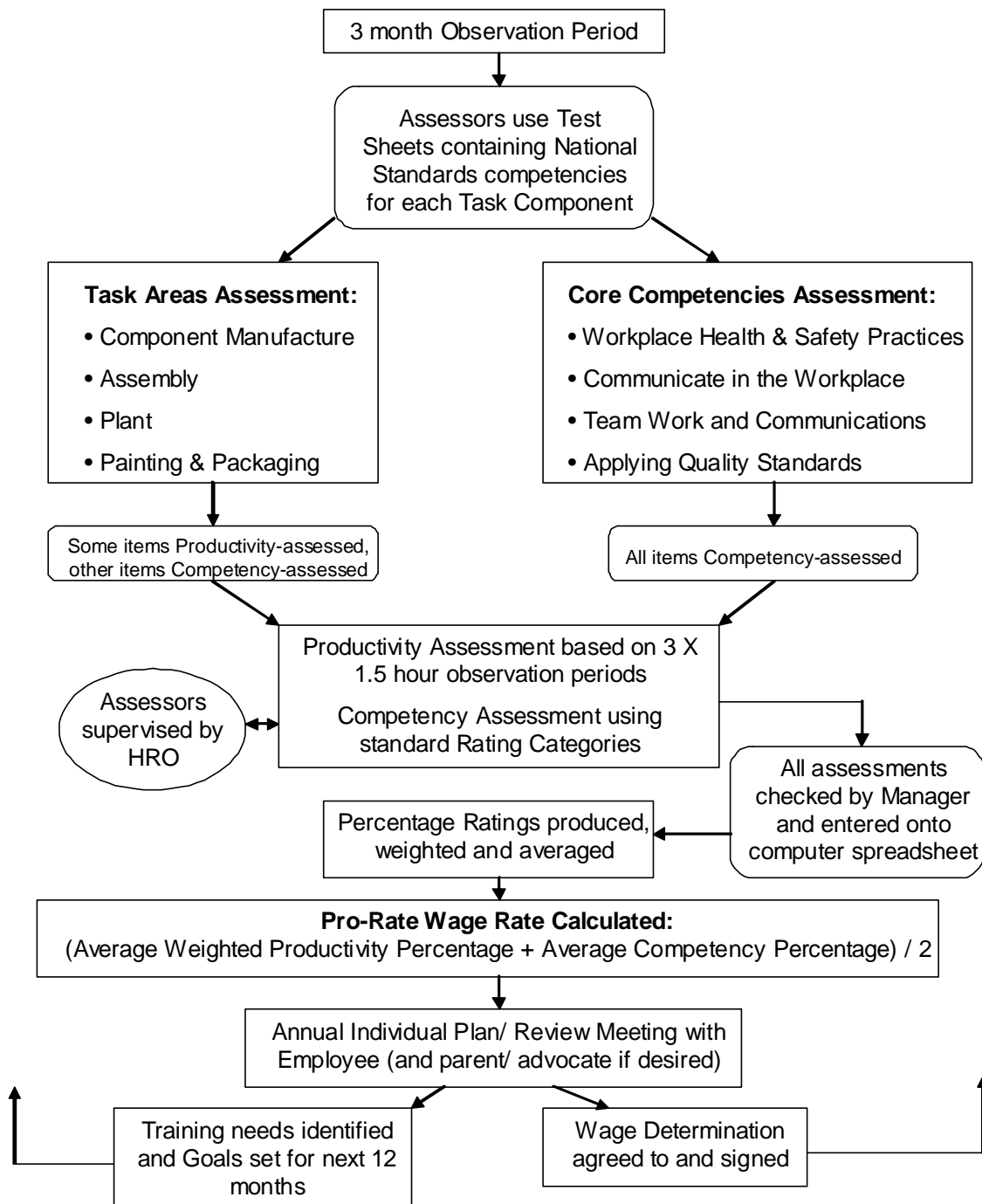
Once checked by the Human Resource Officer and Manager, the productivity and competency percentage rates are entered on the spreadsheet and the wage rate is calculated (see next section for further details).

Once the assessors, management and the individual employee (and their parent, guardian or advocate if desired) have discussed the assessment and agreed on the fairness of the wage outcome, the wage determination is signed off and becomes part of the new Australian Workplace Agreement for the employee.

The Wage Assessment Tool is viewed as part of the overall assessment process. It is part of the employee's annual assessment, although if a particular skill is learned, an interim assessment can be done and wages adjusted if required.

A summary of the assessment process is shown in the following diagram.

Summary of Elouera Association Inc. Wage Assessment Process



4.7 Scoring and Wage Calculation

Task Skills and Core Competencies assessment items all result in percentage ratings (as detailed in the *Content and Structure of the Tool* section of this description). For competency assessment, only ratings of 100% are counted in wage calculation.

Each Task Skill component is weighted according to its contribution to the total task. The percentage rating for each task component is multiplied by the task component weighting and all of these results are added to produce the overall percentage rating for the whole task.

No weightings are used for Core Competencies and an average percentage rating is calculated for each of the four Core Competencies by adding the percentage ratings for each item and dividing by the number of items.

The average percentage rating achieved for *Competencies* is added to the average percentage rating for *Productivity* and this total is then divided by two. The resulting percentage rate is applied to the award wage to determine the employee's assessed wage.

4.8 Good Practice Guide to Wage Determination Criteria

4.8.1 Compliance with Relevant Legislation and Standards

The Elouera Association Inc. Wage Assessment Tool has been assessed in quality assurance audit and complies with the requirements of Disability Services Standard 9. The tool has also been reviewed by the quality office of FaCS and changes were made to ensure that the tool met the requirements of the Guide to Good Practice Wage Determination.

The tool assesses against award requirements and the same assessment system is used for all employees.

4.8.2 Validity

Analysis of outcome data when the Elouera tool was trialled showed results that were fairly consistent with expectations. Staff who knew the employees were more confident in the Elouera tool results than those arising from the BSWAT trial.

Discussion of assessment results at annual reviews with individual employees have not identified any issues about validity to date.

4.8.3 Reliability

Assessment data is collected over a 3 month period in parallel with DPI and DMI process. Productivity performance data is collected over 2-3 weeks at different times of the day and week, etc.

Use of Task sheets and Rating Criteria ensures that assessors are using consistent criteria for assessment. Supervision by the Human Resources Officer and check of all results by the Manager also add to the reliability and quality of the assessment process.

4.8.4 Wage Outcomes

Elouera Association reports that the introduction of its wage assessment tool has led to an increase in wages for employees. This increase is reported to be higher on average than what would have been achieved if the BSWAT was used.

The minimum rate adopted for all wage outcomes is 15% of Grade One of the Allied Liquor & Hospitality and Miscellaneous Workers Supported Employment (Business Enterprises) Award 2001. Grades one to four of the award are used at Elouera.

Employee progress towards competencies is recognised. Capacity of the organisation to pay is not a consideration.

4.8.5 Practical Application of the Tool

Elouera staff are reported to find the tool quite easy to use. Assessment sheets can be filled in as they go and they can plan assessments in advance.

It is easy to rotate employees around the tasks to be assessed and monitor their performance without disruption.

4.8.6 Administrative and Cost Implications

External assessors are not required for the Elouera tool as all assessment is done in-house. The major cost therefore is associated with staff time.

The development of the tool to date has seen the major set up requirements completed.

Staff time required to maintain the assessment process is combined with the requirements of DPI and DMI assessments, individual planning, training, etc. It is estimated that 4-5 hours of staff time is required per worker for observations, data entry and conducting the individual plan/ review meeting.

Elouera estimates that the staff time required for the BSWAT trial was probably higher than that required for the Elouera wage assessment process (due to the time required to liaise with CRS assessors, explain production processes, etc).

Some of the assessments tests are straightforward, e.g. the forklift assessment is the same as the licence test for this equipment.

4.8.7 Industrial Relations

The wage assessment tool has been incorporated as a variation to Elouera Association Inc.'s Australian Workplace Agreement, previously ratified by the Industrial Relations Commission. This variation has been passed by the Office of the Employment Advocate (OEA) and does not need to go through the Industrial Relations Commission.

The OEA has asked that percentage wage increments be rounded up to the nearest 5% as per the Award.

The assessment report and wage determination (on the last page of the wage assessment tool form) can be attached to the employee's agreement and replaced each year without having to renegotiate the Australian Workplace Agreement.

4.8.8 Links to Training

The task competencies assessed by the tool are based on National Industry Standards. Every task item assessed has a test sheet which documents the National Standards against which the employee is assessed.

Elouera reports that the tool provides a very good basis for training and is used to identify training needs and measure training outcomes. The wage assessment tool provides information for training goals for the next 12 months. The use of rating categories and productivity measures enables training outcomes to be quantified.

4.8.9 Process for Disputing/Appealing the Outcome

Elouera Association has a Grievance and Complaints procedure. The wage assessment process is tied in to the annual assessment which has a section for employees to comment on any aspect of the assessment and to record any disagreement.

There have been no disputes or appeals to date.

Training on the wage assessment tool is now incorporated into induction training for new employees.

Information Sources:

- Telephone interview with Alan Young, Manager, Elouera Association; and
- Written information provided by Elouera Association Inc, including copies of assessment guidelines, test sheets and assessment spreadsheet.

5. FWS Wage Assessment Tool

5.1 Owner/Developer of the Tool

FWS Employment Services Inc

5.2 Type of Tool

Hybrid

5.3 Number of Business Services Using This Tool

Used by an estimated 15 Business Services in South Australia.

5.4 History and Development of the Tool

The FWS Wage Assessment Tool has been developed over the last 4 years. FWS aimed to develop a valid, fair and reliable wage assessment tool for workers within Business Services. The FWS tool was also designed to link to training and development and career planning for workers and to reflect the conditions and assessment processes used in the general workforce.

The tool uses a productivity assessment similar to the supported wage system and additional work on core and industry competencies. Key considerations in the tool's development were:

- ease of use;
- understandability for workers and their advocates;
- commitment to fair wage outcomes; and
- cost of implementation.

An early decision was made that the tool should comprise 3 main components:

- Industry Standards/ Competencies Assessment
- Key Workplace Competencies Assessment
- Productivity Assessment

Assessment of industry competencies was considered to be an essential element of the tool. FWS explains that, in a Business Service, many workers may be able to perform part of what would be considered a single entry level competency in the general workforce, but they may have great difficulty completing the full task. Business Services often adapt and tailor production methods and processes to accommodate the varied abilities of workers. Although productivity can be assessed for the limited tasks that some Business Service workers can perform, setting a wage level based on productivity rate for a very limited range of task elements may be economically invalid and may result in inequities with other workers who are able to perform more complex tasks at a lower rate of productivity.

Competencies relevant to each area of work were obtained through the National Information Training Service (NITS). Where NITS competencies were not available, FWS developed their own competencies through a task analysis and following the NITS format as closely as possible.

To develop the Key Competencies component of the wage assessment tool, FWS referred to a list of indicators of key workplace competencies (Riches, V.C., 1994, Standards of Work Performance. A functional assessment and training manual for training people with disabilities for employment, MacLennan and Petty, Sydney.) A trial version of the BSWAT was also reviewed. The FWS Key Competencies were then drafted and a scoring system designed. Guidelines for assessing and scoring the Key Competencies were also documented.

For Productivity Assessment, FWS used principles similar to the Supported Wage System. Work units and elements were identified in consultation with each individual worker, their support workers, supervisors and coordinators. Able-bodied rates were set by timing able-bodied workers doing the same task under the same conditions as the worker to be assessed. Where possible, comparisons were made with workers outside the organisation. In most cases, more than one able-bodied worker was timed and the results were then averaged.

Once productivity assessment criteria were set, all workers and supervisors were consulted to ensure the process was understood and considered to be fair. Agreement to proceed was sought from all workers.

Initially, productivity assessment data was collected by an independent assessor. Once the validity and reliability of the process was confirmed, the responsibility for timing workers was passed on to supervisors. A minimum of 3 timings were required for each worker on each task (more if there were large variations in timings). Workers were timed on different days and in some cases at different times of the day.

The FWS Wage Assessment Tool was put through a series of discussions, drafts and trialling. The tool's wage outcomes were also tested against existing wage rates.

5.5 Content and Structure of the Tool

The FWS Wage Assessment Tool has three main assessment components:

1. Industry Competencies Level Assessment
2. Key Competencies Assessment
3. Productivity Assessment

Industry Competency Levels Assessment

Workers are assessed against the identified competencies required for their work area. NTIS-linked competencies are listed for each work area. For example, for FWS Lawn & Garden Service (Greenkeeper Level 1), the competencies are:

- Support garden work (NTIS competency RTF1004A)
- Operate basic machinery and equipment (RTC1301A)
- Prune shrubs and small trees (RTF2017A)

Each competency achieved is recorded (with a ✓ or X). There are three levels of competency level achieved:

1. Entry
2. Trainee
3. Competent

Each competency is broken down into task element competencies. For example, Operate Basic Machinery & Equipment (RTC1301A) has three task elements:

01. Prepare basic machinery and equipment for use
02. Operate basic machinery and equipment
03. Check, clean and store machinery and equipment

Each task element has sub-competencies. For example, the sub-competencies for 01 are:

- 1.1 Machinery selected in accordance with supervisor's instructions
- 1.2 Routine pre-operational checks carried out
 - Fuel and oil levels correctly maintained
 - Blades or line in good condition. Correctly replaced if required
- 1.3 Unsafe or faulty machinery identified and reported
- 1.4 OHS&W hazards identified and reported.

The supervisors mark these sub-competencies as achieved (yes/no) and also identify any training areas that are indicated.

Key Competencies Assessment

All workers are assessed against the same set of Key Competencies. There are 5 key competencies:

- 1 Occupational Health., Safety and Welfare
- 2 Quality
- 3 Communication
- 4 Working with Others
- 5 Personal Skills

Each of these key competencies has sub-competencies. For example, the sub-competencies for Occupational Health, Safety and Welfare are:

- 1.1 Hazards in the workplace are recognised and reported appropriately
- 1.2 Shows awareness of OH&S standards/procedures, and/or ability to access this information
- 1.3 Knows of first aid equipment/procedures
- 1.4 Emergency and evacuation procedures are understood and demonstrated
- 1.5 Shows respect for hygiene standards at work
- 1.6 Wears or uses safety clothing and equipment as applicable
- 1.7 Shows awareness of and follows manual handling guidelines
- 1.8 Works in a safe manner, keeping work area tidy and disposing of waste appropriately

Each of these indicators is scored on a scale of 0-5. Separate assessments are completed by each supervisor who works regularly with the worker.

Productivity Assessment

Definitions have been written for the key tasks undertaken by workers and able-bodied rates have been calculated for each task. Supervisors time the worker's productivity on the task at least 3 times during the 3 month observation period. The percentage of the able-bodied rate is then calculated for each task and the worker's final productivity percentage is the average of productivity over all the key tasks for which they have been assessed.

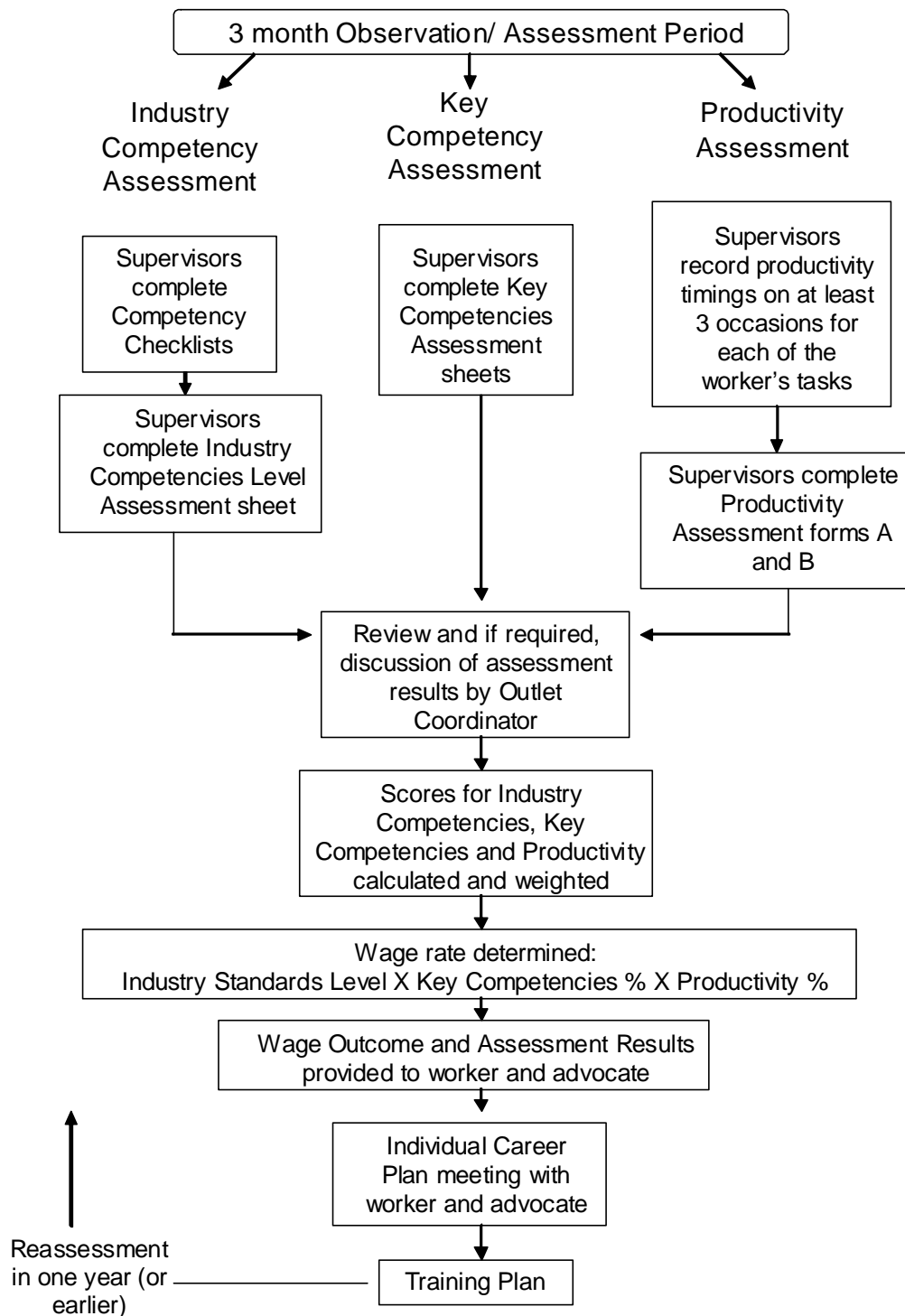
5.6 Assessment Process

- 1 Over a three month period, work supervisors who work with the worker on a regular basis, complete *Industry Competency Checklist* sheets for each competency. The *Industry Competencies Level Assessment* sheet listing the selected industry competencies for the worker's main work area is then completed. Outlet Coordinators collate the checklist results. If there are any variations between individual supervisor's assessments for a worker, the Coordinator discusses the variation with the supervisors involved to establish an agreed result.
- 2 Over a three month period, every supervisor who works with a worker on a regular basis completes a *Key Competencies* checklist for the worker. Outlet Coordinators collate the checklist results. If there are any variations greater than 2 points between individual supervisor's assessments on any particular competency, the Outlet Coordinator discusses the variations with the Supervisors to ensure that they are confident in their assessment.
- 3 Over a three month period, workplace supervisors record at least 3 productivity timings for each work task that the worker undertakes. If large variations in productivity times are evident, further times are recorded.
- 4 The *Industry Competency*, *Key Competency* and *Productivity* assessment results are scored and weighted and the worker's wage level is calculated.
- 5 The worker is advised of the assessment results and the wage outcome in writing.
- 6 The assessments are tabled and discussed at the worker's annual Individual Career Plan (ICP) meeting. Assessment information may also be used to develop training goals.
- 7 Any wage increase applies from the date of the ICP meeting.

Wage assessments are repeated annually or more often if required. All supervisors involved in the assessment process are required to hold qualifications in Workplace Assessment and Training or to have received internal FWS training in these areas.

The assessment process is summarised in the diagram overleaf:

Summary of FWS Wage Assessment Tool Process



5.7 Scoring and Wage Calculation

The worker's Wage Rate =
Industry Standards Level X Key Competencies % X Productivity %

Industry Standards Level

Workplace supervisors complete task element checklists for each competency

- 1 Entry level (able to perform one or more task elements) = 50% of full wage
- 2 Trainee level (able to perform on or more industry competency) = 75% of full wage
- 3 Competent level (able to perform all selected industry competencies in main area of employment) = 100% of full wage

Key Competencies

Performance indicators within each of the following areas are rated by workplace supervisors

- OHS&W
- Quality
- Communication
- Working with others
- Personal skills

Weightings are applied to each of the areas.

Supervisors score each indicator within these areas using a score between 0 (*Does not meet this criteria without considerable support, or is not expected to perform at this level due to extensive support requirements or safety issues*) and 5 (*Is highly skilled in this criteria – requires no direction to perform at this level consistently and without support*). One of the rating scores (2 points) accounts for *variable* performance.

The scores of different supervisors for each worker for each competency are averaged. The scores for each group of competencies are averaged and weighted to a maximum total of 100. A Key Competency score of 80% or more, with no indicator scored less than 3, counts as 100%

Productivity

Key task elements are timed and calculated as a percentage of the able bodied rate.

5.8 Good Practice Guide to Wage Determination Criteria

5.8.1 Compliance with Relevant Legislation and Standards

The FWS Wage Assessment Tool has been reviewed for enterprise bargaining and quality audit purposes and has met the requirements for these processes.

A quality audit of FWS sites at Victor Harbor and Kingscote (*Business Review Report – Commonwealth Disability Service Standards Post-Certification Review, 16-18 June 2004*) by *Benchmark Certification* reported that the wage assessment tool:

“... appears to be fair, logical and transparent. A reasonable range of outcomes is being achieved with potential for clients to work towards full wages.”

“FWS procedures link wage assessment outcomes with Career Planning to focus future training on weaknesses identified, with a view to progressing employees up the pay scales. ICP scheduling has been shifted to ensure a close link between career planning and assessment outcomes.” (p. 10)

5.8.2 Validity

The tool is transparent to workers and their advocates. Copies of the assessment sheets and results are provided to and discussed with workers and their advocates.

FWS considers the tool to be more rigorous than many other tools, without being overly complex.

5.8.3 Reliability

The assessment procedures are designed to maximise reliability, i.e.

- assessment data for each worker is collected by more than one supervisor;
- there is a review and discussion process with the Outlet Coordinator to identify and resolve any discrepancies between supervisors' assessments; and
- assessment data is collected over a three month period with multiple observations for productivity timings.

Benchmark Certification in their 2004 quality audit (previously cited above), reported that the wage assessment outcomes “are quantified with what appears to be a reasonable expectation of consistency when used by different personnel.”

External purchasers of the FWS tool receive 4 hours of training as part of the purchase agreement and can also have an independent review of their assessment results by the FWS Client Services Coordinator.

5.8.4 Wage Outcomes

New workers are paid at the current minimum rate and are fully assessed at the end of a three-month probationary period. Once their assessment is completed and wage level determined, any difference between the minimum rate and their assessed wage is back paid.

Existing workers at the date of ratification of the FWS Enterprise Agreement are paid at whichever rate is highest of their current wage or assessed wage.

If the annual reassessment results in a lower assessed wage, a training program is designed by the client's work supervisor in conjunction with the client and the Client Services Coordinator and the client's wages are maintained for a period of twelve months from the date of agreement on the training program. If, after twelve months, further reassessment still indicates a lower wage level, the client's wage will be decreased.

No client's wage rate is reduced below that which applied at the time of ratification of the FWS Enterprise Agreement.

In the first year following introduction of the FWS Wage Assessment Tool, there was an average increase of 40% in workers' wages across two FWS outlets. The average increase in the second year was 14%, mostly due to workers increasing their industry competencies.

5.8.5 Practical Application of the Tool

FWS reports that there was a lot of work involved in setting up the initial competencies but once established, much of the administration of the assessment process is spread over the year. The data collection period (3 months) is considered to provide more reliable information than a snapshot assessment over a short time frame.

5.8.6 Administrative and Cost Implications

The purchase price of the FWS Wage Assessment Tool is currently \$1,500, including initial training.

FWS finds that the information gathering process fits in well with the processes required for individual career planning, quality assurance and case based funding. As internal assessors are used, there is no additional cost for external assessors, although external review of assessment results is available.

The cost of the assessment process in terms of internal staff time is difficult to estimate, as the assessment is spread over time and integrated with data collection for other purposes. An approximate estimate by FWS of the staff time requirement is 2 hours per client per year.

5.8.7 Industrial Relations

The FWS Wage Assessment Tool is incorporated in the organisation's Enterprise Agreement 2003-2005.

The Determination of the Industrial Relations Commission (File No. 8764 of 2003 before Deputy President Hampton) included reference to the support of the Office of the Employee Ombudsman for the approval of the Agreement and the Commission's opinion that the agreement met all of the statutory requirements for approval. In respect of the proposed wage assessment tool, Deputy President Hampton determined that it "appears to be relevant, fair and appropriate given the circumstances of the employees at FWS."

5.8.8 Links to Training

The wage assessment information links into the worker's Individual Career Plan and Training Plan.

Some links are available through National Training Standards and accredited training, for example, in horticulture and food handling.

5.8.9 Process for Disputing/Appealing the Outcome

The FWS process is as follows:

If a client disagrees with any aspect of their assessment, the Client Services Coordinator (CSC) shall initially discuss the point(s) of issue with the client and relevant supervisor(s). If agreement cannot be reached, the matter shall be considered a complaint, and the CSC shall assist the client to pursue the matter in accordance with FWS guidelines (i.e. Complaints procedure).

Information Sources:

- Interview with John Simpson (CEO) and Gus Telfer, FWS Employment Services Inc; and
- Documentation provided by FWS Employment Services, including assessment checklists and wage tool description, and extracts from quality audit report and SA IRC determination.

6. Greenacres Association Competency Based Wages System

6.1 Owner/Developer of the Tool

Greenacres Association

6.2 Type of Tool

Hybrid

6.3 Number of Business Services Using This Tool

To date, 40 Business Services have purchased the Greenacres Association Competency Based Wages System (CBWS) and 122 staff have completed the associated training course. Greenacres estimates that the CBWS is utilised for approximately 2,700 employees with disabilities nationwide.

A recent (December 2004) survey of 16 Business Services indicated that 14 were using the Greenacres CBWS in its original form, while 2 had made adjustments to the tool.

6.4 History and Development of the Tool

The CBWS was developed by Greenacres Association in conjunction with the Australian Liquor, Hospitality and Miscellaneous Workers Union (LHMU) as part of the organisation's Certified Agreement. The development process commenced in 1997.

The Supported Wage Assessment Tool was initially examined, but was considered to relate more to people with primarily physical disability. Greenacres identified research showing that the key barriers to employment for people with intellectual disability were social and behavioural. Greenacres decided to develop its own wage assessment tool and this process commenced in 1997 and was completed in 1999.

At this time, national competencies were still under development and so a parallel development process occurred with ultimate ITAB endorsement of the Greenacres model for mapping of key competencies.

Greenacres Association decided to use generic competencies rather than individual Industry Competency Standards for the following reasons:

- the diversity of industry work undertaken by Business Services and the need for a system that is flexible to the changing nature of the work/ contracts undertaken;
- the need for a wages system that meets the capacities of the majority of employees with high to moderate support needs, rather than a system that is appropriate only for a minority of more highly skilled employees; and
- the difficulty most employees with intellectual disability would experience if measured against the criteria of Industry Standards that were never intended to cater for the range of needs experienced by people with intellectual disability.

Greenacres therefore advocated a continuum model with links between the competencies relevant to employees with intellectual disability and the seven Key Competencies included in the National Qualifications Framework endorsed by the Australian National Training Authority.

Competency components of the CBWS, (*Task Skills* and *Underpinning Work Skills*) were developed through research which included work by Vivienne Riches in the area of Standards of Work Performance.

Both the *Task Skills* and *Underpinning Work Skills* streams of assessment were mapped to the Mayer Key Competencies and then endorsed by the NSW Community and Health Services ITAB.

Productivity was included as a third stream of assessment.

In 1999, the Department of Family and Community Services contracted Greenacres Association to present a series of seminars/workshops around Australia on 'How to Set Up a Certified Agreement' and an overview of the CBWS as an example of best practice in Business Services.

The Australian Liquor, Hospitality & Miscellaneous Workers Union (LHMU) agreed that the CBWS could be sold to other Business Services as long as an accredited training course accompanied the sale. A 2 day course was subsequently developed and accredited by NSW VETAB in 2000.

Transition of Greenacres Association employees to the CBWS occurred from the year 1999.

6.5 Content and Structure of the Tool

The Greenacres CBWS comprises three streams, two of which are competency based:

1. *Task Skills* (fine motor, gross motor, spatial, planning/problem solving, multiple coordination, language, literacy and numeracy, and machinery/ equipment/ tools skills required to successfully complete a job)
2. *Underpinning Work Skills* (general vocational skills necessary to maintain successful employment, such as teamwork, punctuality, and working consistently)
3. *Productivity* (the rate of work output per individual employee over a predetermined time period, and is normally measured against the productivity rates of peers rather than able-bodied rate)

Progression through the wage levels is dependent on the employee's achievements in all three aspects, i.e. Task Skills, Underpinning Work Skills and Productivity.

There are 6 wage levels: a *Training and Support* Level and then Wage Levels A, B, C, D and E.

The *Training and Support Wage Level* includes tasks that require a limited number of rudimentary skills to meet the (typically manual) task demands. Employees at this wage level need close supervision and support to gain and maintain the skills required to complete the assigned tasks. Employees are not intended to remain in this level for longer than 12 months as it is a probationary training level to assess employability.

At Wage Level A, there are tasks which demand a variety of basic skills, often incorporating the use of supporting techniques such as jigs and 'match to sample' aids. As well as manual tasks, this wage level includes relatively simple machine operation. Permanent employment is offered at this level.

By Wage Level E, the employee performs all job-specific maintenance and basic repair tasks for a work section/ department and also undertakes the role of Team Leader and demonstrates initiative in the workplace across various situations.

The *Task Skills* increase in complexity for each successive wage level. For example, the Task Skills for the *Training and Support* wage level are:

1. Rudimentary hand-eye co-ordination e.g. can screw one item onto another.
2. Ability to pick up small objects.
3. Complete counting tasks (to 5) using a jig.
4. Place limited number of small objects into bags/ containers.
5. Folding paper/ fabric/ other materials in half.
6. Basic threading of items with string, etc.

The Task Skills for *Wage Level A* are:

1. Basic hand-eye co-ordination e.g. can hold one item and complete task with remaining hand.
2. Elementary level of dexterity i.e. holds items firmly or gently as required.
3. Basic gross motor skills e.g. pull a lever to a set level, press buttons/ foot pedals.
4. Placement of items/ objects into bags, containers, boxes, jigs, etc.
5. Basic assembly (with/ without a match to sample item and/ or jig).
6. Counting to 10 (with/ without the use of a jig).
7. Use of basic tools (if automated, a jig/ template would be in place), e.g. guillotine, spanner.
8. Recognises concepts such as: on/ off, front/ back, top/ bottom, basic colours.
9. Basic machinery operation, e.g. electric scales (with/without use of a jig/template).
10. Organises a limited number of items (2-3) into sequential order.

By Wage Level E, the Task Skills include:

1. Autonomous performance of all manual and automated tasks for a work section(s).

3. Completes all maintenance requirements for more complex machinery and vehicles such as ride on mower and forklift.
6. Undertakes professional communication skills and records information simultaneously e.g. taking basic phone orders from customers.
7. Applies multiple skills e.g. basic literacy, fine/ precise dexterity, task sequences and manual/ automated procedures to complete basic transactions, e.g. using a cash register for standard customer purchases.
10. Oversees small groups of employees for limited periods.
12. Read relevant references and apply the information to the task requirements, e.g. reading a basic street directory, following the directions and reaching the correct destination.

Each Wage Level also has specified *Underpinning Work Skills* (formerly known as work associated competencies).

For the *Training and Support Wage Level*, the *Underpinning Work Skills* are:

- **Attitude to work and co-workers**
 - Attends work each day or notifies reason for absence
 - Comes to work area on time
 - Readily undertakes work tasks
 - Recognises the work environment and responds accordingly
 - Demonstrates the ability to work with others
 - Does not distract others while working
- **Willing to learn**
 - Demonstrates a positive response to training programs and work duties assigned
- **Follows instructions**
 - Accepts supervisor/ trainer as authority on the job
 - Acknowledges having understood instructions
 - Able to follow instructions
- **Dress and OH&S**
 - Wears appropriate attire for the work environment paying regard to OH&S requirements
 - Demonstrates willingness to learn basic safety rules
- **Expressive communication**
 - Expresses own needs clearly to relevant staff
- **Independent work practice**
 - Completes 1 task to 100% performance criteria
 - Demonstrates the ability to work in variable work environments

The *Underpinning Work Skills* for Wage Level A are:

- **Independent work practice**
 - Works with moderate ongoing supervision
 - Works without supervisor present for limited periods
 - Continues to work when distractions are present for limited periods

- Remembers instructions minutes after they are given
- Makes basic decisions regarding own work
- **Working consistently**
 - Stays on task during key production periods
- **Flexibility**
 - Adapts to change, e.g. moves to a new task with clear directions
- **Quality control**
 - Can check work and recognise errors
- **OH&S**
 - Follows basic safety procedures
- **Workstation**
 - Maintains a clean and tidy workstation
- **Teamwork**
 - Demonstrates positive interaction with co-workers

By Wage Level *E*, the *Underpinning Work Skills* are:

- **Independent work practice**
 - Makes basic decisions for work section
 - Requests explanation and clarification of instructions where necessary
- **Working consistently**
 - Encourages co-workers to maintain on task behaviour
- **Flexibility**
 - Takes independent action to meet urgent requirements of the work section
 - Able to work in different work sections as required
- **Quality control**
 - Checks work completed by co-workers and corrects where necessary
- **OH&S**
 - Has sound knowledge of general OH&S issues and rules
 - Identifies potential safety hazards with machinery/ tools and notifies relevant staff
- **Workstation**
 - Helps set up work stations for team members and organise work materials
 - Completes basic documentation for workstation

Productivity is assessed against a peer group (co-worker) average on a sample of jobs typically undertaken by the employee. Where a peer group average is not possible (for example, at higher wage levels, where fewer employees may be completing the task), an able-bodied rate is used. There are three bands of productivity: *Entry*, *Competent* and *Advanced*.

6.6 Assessment Process

Greenacres Training Officers provide on the job individualised support and small group facilitation and are also case managers, responsible for implementing CBWS procedures. Task Skills, Underpinning Work Skills and Productivity are monitored regularly through structured training programs. A comprehensive assessment is undertaken prior to each employee's annual Individual Plan meeting, a report is prepared and based on the assessment evidence, a recommendation is made regarding movement within the wage system.

Competency Assessment

Evidence of the employee's Task Skills and Underpinning Work Skills competencies is collected by a qualified Workplace Assessor (usually a Training Officer) and this evidence is then verified by the employee's workplace Supervisor to maintain objectivity and transparency in the assessment process. The Training Officer and Supervisor have different roles and work for different managers.

For *Task Skills* assessment, the employee must work at a particular job level for at least 50% of their time at work. (The job level is determined at Task Analysis of the job.) Observations of the employee's *Underpinning Work Skills* are recorded on a checklist and compared with those designated for each of the wage levels.

Productivity Assessment

Each employee's productivity is measured three times per year and recorded on a Production Checklist.

Individual Plans and Reviews

The assessments are undertaken in conjunction with the employee and integrated with the Individual Plan process. Consultation with the employee regarding assessment results occurs prior to the IP meeting. At the annual Individual Plan meeting, all the assessment evidence is presented and new 12 month goals are established. The goals are identified and agreed to by the employee, the case manager, relevant staff and significant others involved in the employee's life (e.g. parents). Progress against the Individual Plan is reviewed every 4 months by the case manager.

Performance reviews may also occur at intermittent periods when an employee meets the performance criteria to move within the system or at the employee's reasonable request.

Where the employee meets the performance criteria of a higher wage band or wage level, documentation is signed and processed to effect the wage increase.

Where assessment identifies that the employee's current wage band or level is appropriate, new annual goals are set focussing on maintenance and/or further development of task skills, underpinning work skills and productivity.

Regression Management Process

The CBWS includes a Regression Management Process for situations where an employee's skills may have permanently declined (e.g. due to a degenerative medical condition). In such cases:

- relevant staff must maintain records to confirm the decline in skills, competencies and productivity;

- the employee concerned is consulted;
- regression is formally noted at the employee's Individual Plan meeting;
- structured training programs aimed at regaining the skills are documented in the IP and implemented; and
- two consecutive formal assessments are conducted over a 12 month period.

Following the 12 month period, if the level of work skills has not been restored, approval is sought from the Consultative Committee (see below) for the individual to remain employed at an appropriate wage level. The minimum wage level that may be paid is the *Entry* band of the *Training and Support Wage Level*.

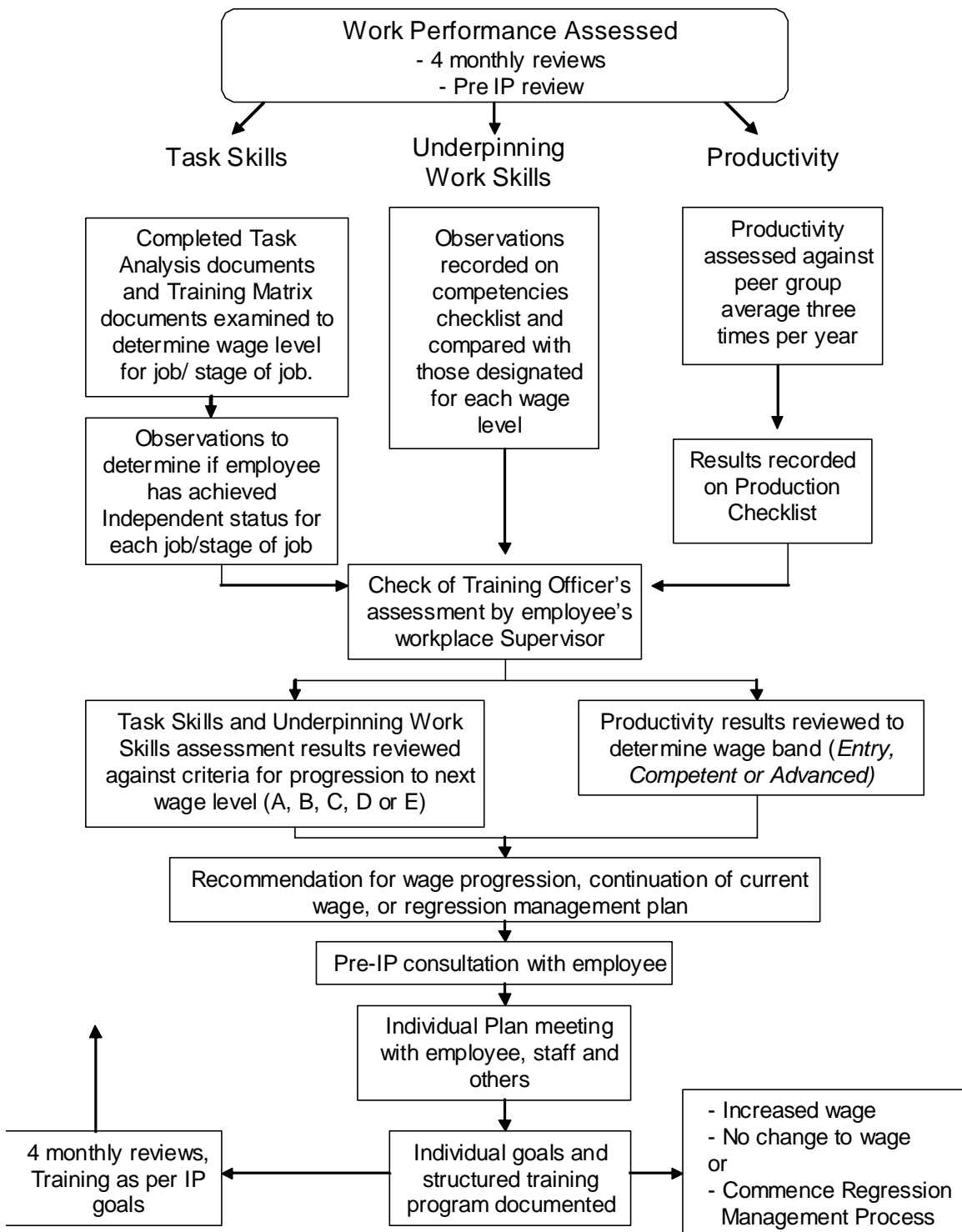
(A *Consultative Committee*, comprising relevant section Supervisor, Training Manager, Facility Manager, CEO (ex-officio) and a nominated external LHMU representative, approves any variances to the CBWS and oversees regression management plans.)

Database

Greenacres has also developed a database which incorporates training, work tasks, competencies, case management, etc. Training and other data are continually entered into this database and case managers can generate a range of reports regarding individual employee competency levels and training needs, individual plan details and review schedules, etc.

The assessment process is summarised in the following diagram:

Summary of Greenacres CBWS Assessment Process



6.7 Scoring and Wage Calculation

The task skills embedded in the job or stage of the job are identified and recorded. Training Matrix documents (ISO 9001 Standards Australia) are examined and the job or stage of the job is allocated to a specific wage level. This is determined on the basis of the highest level task skills that are included in the job.

An employee with a disability commences employment in the *Training and Support Wage Level*.

To progress to Wage Level A, the employee must meet:

- 100% of the *Training and Support Level* performance criteria over a minimum of 4 jobs or stages of jobs; and
- 80% of the Underpinning Work Skills for Wage Level A.

The employee's assessed Productivity rate then determines which *band* the employee will earn within the Wage Level. For Wage Levels A, B, C, D and E, there are three bands:

- *Entry* (employees whose measured productivity is generally in the bottom 25%);
- *Competent* (employees whose measured productivity is generally in the range of 25% to 75%); and
- *Advanced* (productivity generally in the top 25%).

For the Training and Support Wage Level, there are two bands: *Entry* (productivity generally below the average, i.e. up to 50%) and *Competent* (productivity generally above the average, i.e. greater than 50%).

Note that *generally* means 80% of the time.

Productivity gains must be consistently observed over a period of not less than 6 months.

The employee can progress to the next Wage Level (e.g. from Level A to Level B), if assessment shows they have:

- a) achieved and maintained 100% of the competency criteria for their current and preceding wage levels;
- b) achieved 'independent status' in the Task Skills for the next wage level job or stage of the job;
- c) achieved 80% of the Underpinning Work Skills for the next wage level; and
- d) demonstrated consistent productivity and work performance of the task skills and work associated competencies of the next wage level as specified in a), b) and c) above for more than 50% of the time over a maximum period of six months.

(*Independent status* is achieved when an individual meets 100% performance criteria for a job or stage of a job as stated in the task analysis, for no less than 5 consecutive training sessions.)

Note that employees progressing from the Training and Support Wage Level to Wage Level A are required to achieve independent status over a minimum of 4 jobs or stages of jobs.

The wage levels and increments are shown in the table below.

| Wage Level | Band | Wage % |
|--------------------|-----------|--------|
| Training & Support | Entry | 10.0% |
| | Competent | 12.5% |
| A | Entry | 12.5% |
| | Competent | 15.0% |
| | Advanced | 17.5% |
| B | Entry | 20.0% |
| | Competent | 22.5% |
| | Advanced | 25.0% |
| C | Entry | 27.5% |
| | Competent | 30.0% |
| | Advanced | 32.5% |
| D | Entry | 35.0% |
| | Competent | 37.5% |
| | Advanced | 40.0% |
| E | Entry | 45.0% |
| | Competent | 50.0% |
| | Advanced | 55.0% |

Employees above the 55.0% wage level are assessed through the Supported Wage System. The CBWS is seen as the first stage of the continuum:
 Competency Based Wages => Supported Wages => Award Wages.

6.8 Good Practice Guide to Wage Determination Criteria

6.8.1 Compliance with Relevant Legislation and Standards

The Greenacres CBWS has been reviewed in three quality audits against Disability Service Standard 9 since 2002. Favourable reports have been received on each occasion.

The CBWS is also reviewed on a tri-annual basis as part of the renewal application of the organisation's Certified Agreement. This was done as a consent agreement with the LMHU on 20/4/04.

These legislative and quality standards have also been satisfied for other Business Services using the Greenacres CBWS.

6.8.2 Validity

The criteria on which the Greenacres CBWS competencies are based were identified through a process of research and consultation with expertise from the industrial relations and disability support sectors.

Other Business Services using the Greenacres CBWS have given positive feedback on its utility and reliability.

A review by the NSW Community Services and Health ITAB has endorsed the tool as reliable and valid.

A quality audit conducted for Greenacres in 2003 stated that:

“The CBWS is **easy to understand** in that it clearly shows the competencies and criteria for performance for each Module in the Work Associated Competencies Assessments. This is documented and assessed by **two staff members** (the training officer and the supervisor). . . The CBWS is valid in that what is assessed is clearly described and is aligned back to the Task Analysis.” (Quality Assurance Services, Certification Audit Report, 2003, KPI 9.1 Supporting Evidence Notes)

Quality audit of another organisation using the Greenacres CBWS was very supportive of the competency-based focus of the system but did recommend that some form of validation of the task analysis by an external user would assist with transparency.

6.8.3 Reliability

Two staff (as noted previously, the Training Officer and the employee’s Supervisor) are involved in collecting and validating the assessment data. One of these staff is always a qualified Workplace Assessor.

Quality audit report commented:

“The tool is reliable as it reduces errors that could be subjective. Each assessor has defined criteria in generic task-skills with the added safety of two staff signing. The tool cannot be manipulated, as any regression of skills has to be justified on the Skills Task Analysis.” (Quality Assurance Services, Certification Audit Report, 2003, KPI 9.1 Supporting Evidence Notes)

6.8.4 Wage Outcomes

The goal of the Greenacres CBWS is “to remunerate employees with disabilities in a fair, objective and equitable manner” (Clause 17.3.1, Greenacres Association Supported Employment (Business Enterprises) – LHMU Certified Agreement, 1997).

The organisation’s 2003 quality audit reported that files showed many employees are moved from one wage level to another between IP reviews. (Quality Assurance Services, Certification Audit Report, 2003, KPI 9.1 Supporting Evidence Notes)

Greenacres representatives report that wage levels have risen for most employees since the CBWS was introduced. Most employees are encompassed in Wage Levels A to D with very few reaching Level E.

6.8.5 Practical Application of the Tool

Greenacres representatives report that the CBWS is easy to use and understand and that its competency criteria are highly appropriate for employees who have intellectual disability (which is the majority of Greenacres employees).

Greenacres Association has received a number of testimonials from other Business Services who are using the Greenacres CBWS. For example:

“We are very happy with your Wages Assessment Tool. We find it very effective and easy to implement. The transparency of the wages system has made it clear for the employees to understand how their individual wages are determined in line with their level of acquired skill and work associated competencies.” (Letter from General Manager, Latrobe Valley Enterprises, 13 December 2004)

“The (CBWS) system has enabled us to introduce a fairer and equitable pay structure that recognises employee’s competencies, skills and productivity on an individual basis. . . We have also found the system has given more to the training function within our service.” (Letter from Manager, Birra Enterprises, 3 April 2002)

6.8.6 Administrative and Cost Implications

Once established, the Greenacres Association CBWS is described as easy to maintain. External assessors are generally not used and so the ongoing cost of the system is associated with internal staff time, i.e.

- part-time IP Coordinator organises annual IPs for 185 employees;
- checklists for competencies and productivity assessments take about 5 to 10 minutes each to complete;
- pre-IP discussion with the employee takes around 30 minutes; and
- actual IP review around 20 to 30 minutes.

Task analysis of each job or job stage is time consuming and can take 2 hours or more.

Employee training is built into Greenacres staff roles and the CBWS is overlaid on existing processes (e.g. the IP process), so it would be difficult to isolate an accurate cost of administering the system.

The database has made the CBWS easier and less time consuming to administer.

6.8.7 Industrial Relations

The Greenacres CBWS and associated wage structure was developed in conjunction with the LHMU and ratified by the Industrial Relations Commission. Greenacres Association has a Federal Enterprise Agreement with the LHMU. The CBWS including the wages system was put to the Commission as a Consent Agreement. Following expiration of the non-negotiation period in September 2001, the Agreement ran in perpetuity until either party wished to negotiate any change. This was done in 2004 and the agreement was renegotiated and recertified as a Consent Agreement with the LMHU on 20 April 2004 for a further 3 year period. A letter, dated 12 November 2002 from the LHMU Branch President to Greenacres Association noted:

“The local union Organiser has a close relationship with Greenacres Association’s employees as we make an official visit at least once a month and we are very happy with the present status of the existing Certified Agreement and the Competency Based Wages System. Both are working well, with no complaints from any of our members.”

6.8.8 Links to Training

The NSW Community Services and Health Industry Training Advisory Body, in a letter dated 28 September 2004, commended the Key Competencies Continuum Model developed by Greenacres and described this as “exemplary practice”. The letter states:

“NSW Community Services and Health ITAB provided advice to Greenacres with regard to the validity, equity and reliability of their existing mechanism for measuring workplace performance against national key competencies. Given the high to moderate support needs of the Greenacres employees, the generic key competencies are the most appropriate and relevant standards to utilise. Industry competency standards reflect job outcomes of able-bodied workers and at the most elementary level, require application and consistency of skills and knowledge greater than the ability of the majority of Greenacres employees . . . In conclusion, it is the judgement of the ITAB that Greenacres has created a quality assessment system that will ensure the integrity of workplace assessment of national key competency standards whilst providing an equitable and fair measurement of workplace performance.”

The Individual Plan process links to individual goal setting and training activities. The presence of Training Officers in the Greenacres staff structure further supports ongoing training activities.

A 2003 quality audit report commented:

“The strength of the (CBWS) system is linked to the intense commitment the Organisation has for the provision of training.” (Quality Assurance Services, Certification Audit Report, 2003, KPI 9.1 Supporting Evidence Notes)

6.8.9 Process for Disputing/Appealing the Outcome

All employees receive annual training on the CBWS and associated wage structure and the grievance procedure. Employees or case managers may request a wage review at any time.

An employee who does not agree with a decision arising out of the CBWS may lodge these concerns directly with the Greenacres Association Grievance Officer, in accordance with the Greenacres Association Grievance Procedure (as per Clause 10 of the Certified Agreement). If there is no resolution after the grievance is investigated, the employee has the option of contacting external bodies such as the union or the Redfern Legal Centre.

A representative of the LHMU visits employees at the worksite on a regular (monthly) basis.

At any time, an employee may elect to be assessed under the Supported Wages Assessment Tool.

Information Sources:

- Interview with Tania Tsiamis (Coordinator) and Kay Anlezark (Coordinator Training Team) Greenacres Association;
- Manual of documents provided by Greenacres Association, including background, history, content, process, correspondence, etc.
- Telephone discussion with Neil Preston, CEO, Greenacres Association

7. Hunter Contracts Wage Assessment Tool

7.1 Owner/Developer of the Tool

Hunter Contracts, Baptist Community Services (NSW &ACT).

7.2 Type of Tool

Competency-based.

7.3 Number of Business Services Using This Tool

One Business Service (Hunter Contracts) uses the tool.

7.4 History and Development of the Tool

The Hunter Contracts Wage Assessment Tool was developed in 1998 and has been refined as required over time.

The nature of the business conducted at Hunter Contracts (cleaning and lawn mowing/gardening) did not lend itself to productivity assessment. The nature of the environment and conditions at different work locations is variable. For example, in lawn mowing and gardening, factors affecting productivity such as lawn area, slope, type and length of grass, obstacles in the lawn area, etc, can differ markedly. In cleaning work, the size, layout, type of surfaces to be cleaned, fittings, etc, are variable across sites. This makes the consistent use of standard productivity measures across all workers at all sites impractical.

A competency-based wage assessment tool was therefore needed. A draft of the tool was developed and then tested on able-bodied staff using Certificate IV assessors.

Hunter Contracts does not have an Enterprise Agreement and uses the Special Wage Permit provisions of the NSW Industrial Relations Act, 1996.

7.5 Content and Structure of the Tool

The tool comprises two main components:

- Support Needs Assessment; and
- Competency Assessment.

There are separate Needs Assessment and Competency Assessment items for the two main work functions performed at Hunter Contracts, i.e. Cleaning and Lawn Mowing.

Support Needs Assessment

Seven key aspects of support needs are assessed:

- A. Punctuality and Attendance
- B. Reaction to Supervision
- C. Co-worker Relations

- D. Personal Skills
- E. Work Skills
- F. Management of Health on site
- G. Time Management/ Productivity

Each of these aspects has a number of assessment items. For example, the assessment items for *A. Punctuality and Attendance (Cleaners)* are:

1. Demonstrates punctuality in all aspects of the job
2. Recognises the need to start work on time and stop for breaks, does not need prompting to start work after break.
3. Does not take impromptu breaks e.g. smoke breaks etc.
4. Can manage time adequately on the job.

For each of these items, the worker is assessed as either competent (Yes) or not competent (No).

The Support Needs Assessment items for Lawn Mowing are almost identical to those of Cleaning.

Competency Assessment

The Competency Assessment items are different for Lawn Mowing and Cleaning. For Lawn Mowing, the following areas are assessed:

- A. Operate Push Mower
- B. Operate Whipper Snipper
- C. General Operations
- D. Quality Control
- E. Packing Up

There are assessment items for each of these areas. For example, the competency assessment items for *A. Operate Push Mower* are:

1. Can fill the mower up with the correct fuel and using the correct safety equipment.
2. Can adjust blades to correct level at all times whilst mowing e.g. along edges.
3. Can start mower with no supervisions and does not treat equipment in a harsh manner.
4. Can determine the correct angle to mow a lawn on, can mow in a straight line, no grass is left uncut.
5. Turns the mower off when emptying catcher.
6. Operates in a safe and orderly manner.
7. Can identify problems/ areas, and make positive decision to rectify with no instruction.

8. Finishes all mowing in an adequate time, as instructed by supervisor.

The competency areas assessed for Cleaning are:

- A. Select and Set Up Equipment
- B. Maintain Hard Floor Surfaces
- C. Maintain Soft Floor Surfaces (Carpets)
- D. Clean Windows/ Mirrors
- E. Maintain Fittings, Utensils, Equipment and Furniture
- F. Clean and Store Equipment
- G. Monitor and Maintain OHS Standards
- H. General Cleaning Duties

The assessment items for *A. Select and Set Up Equipment* are:

1. Equipment is selected to ensure type and style is suitable for the surface to be maintained within acceptable time limits.
2. All equipment is checked to be in a clean and safe working condition prior to usage.
3. Where required, suitable cleaning agents are selected and prepared in accordance to OHS requirements.
4. Protective equipment/ clothing suitable for conditions is selected.

For each of these items, the worker is assessed as either competent (Yes) or not competent (No).

The worker is assessed on all of the support needs and competency assessment items in five trials/ assessment sessions. Points are scored based on the number of items in which the worker is competent at each assessment session. (Refer *Assessment Process* and *Scoring and Wage Calculation* sections below for further details)

7.6 Assessment Process

There is one supervisor with Certificate IV Workplace Assessment qualifications, who conducts all of the assessments. This assessor goes on site with the worker and their Workplace Supervisor to conduct the assessment. Each worker is assessed on each of five working days. Workers are prepared for their assessment by the Workplace Supervisor who trains them, using the Competency Assessment and Support Needs Assessment items as a guide.

If a worker is not satisfied with the assessment outcome, further assessment is conducted on 2 working days. The best 5 scores out of the total of 7 days' assessment scores are then used.

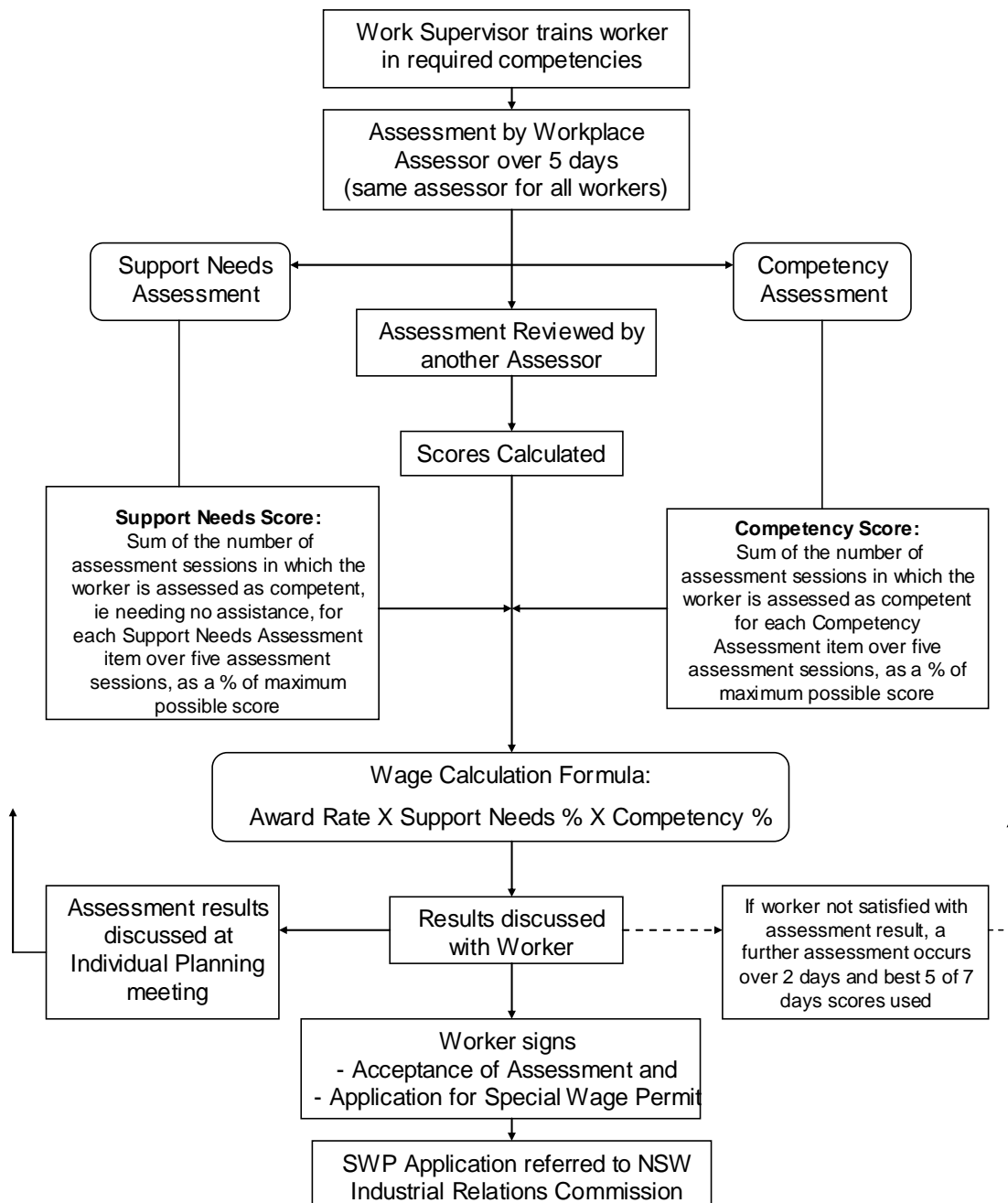
Score and wage calculations are then done and the results are discussed with the worker.

The worker signs an Acceptance of Assessment form and Application for a Special Wage Permit and this is then submitted to the NSW Industrial Relations Commission.

The assessment links with the worker's Individual Plan and forms a discussion item at the worker's Individual Plan meeting.

The assessment process is summarised in the following diagram.

Summary of the Hunter Contracts Wage Assessment Process



7.7 Scoring and Wage Calculation

The assessor completing the Hunter Contracts Wage Assessment completes two assessment record forms:

1. Support Needs Assessment
2. Competency Assessment

Both of these forms record whether the worker was competent in each assessment item. The assessor records this using a 'Y' (competent) or 'N' (not competent or needed assistance).

There are five columns for each assessment item – one for each of the five assessment sessions. The score for each assessment item is the number of 'Y' responses.

For example, if the assessor recorded 'Y' for 4 out of 5 assessment sessions for Item A2 *Needs no prompting to start work on time or to take/return from scheduled breaks* in a worker's Support Needs Assessment, the score for that item would be 4.

A. *Punctuality and Attendance* has 4 items (A1, A2, A3 and A4) so the maximum possible score for A is 4 items X 5 assessment sessions = 20.

In the whole Support Needs Assessment, there is a maximum possible score of 700.

The worker's actual score is divided by the maximum possible score to arrive at a Support Needs percentage.

The same scoring method is used for the Competency Assessment and a Competency percentage is calculated.

The formula for calculating the worker's wage rate is as follows:

$$\text{Award Rate} \times \text{Support Needs \%} \times \text{Competency \%}$$

For example, if a worker had a *Support Needs* percentage of 75% i.e. they were assessed as competent (needing no assistance) for 75% of all of the assessment items over the five assessment sessions, and a *Competency* percentage of 60% and the Award rate of pay was \$10 per hour, their assessed wage rate would be:

$$\$10 \times 75\% \times 60\% = \$4.50 \text{ per hour}$$

7.8 Good Practice Guide to Wage Determination Criteria

7.8.1 Compliance with Relevant Legislation and Standards

The wage system at Hunter Contracts exclusively uses Special Wage Permits under the provisions of the NSW Industrial Relations Act 1996.

Quality audit by International Standards Certifications Pty Ltd in April 2004 found that Hunter Contracts appeared to comply with all of the Key Performance Indicators for Disability Service Standard 9 which relates to employment conditions and wages. Working conditions (KPI 9.2) were considered to be "Above industry

norms” and with respect to KPI 9.3 (*Are consumers appropriately informed about their wages and conditions?*), the auditors concluded that: “Staff take time to explain wages and conditions”.

7.8.2 Validity

The assessment process is transparent in that employees know when and how they are being assessed and the assessment items on which they have to demonstrate competence.

The assessment tool and process was tested on non-disabled employees prior to implementation.

Hunter Contracts appears to be achieving good outcomes in terms of developing workers’ skills and progressing them through competency and wage levels. Last year, 20% of their workers moved to open employment.

7.8.3 Reliability

One assessor completes the wage assessments for all employees, so inter-rater variability is not an issue and all employees are assessed consistently.

Assessment results are reviewed by other Certificate IV qualified assessors who know the employee.

7.8.4 Wage Outcomes

Quality audit by International Standards Certifications Pty Ltd in April 2004 found that Hunter Contracts “Appears to Comply” in respect of KPI 9.1 core question: Does the service pay fair wages? The audit report further commented: “Good level of wage outcomes achieved.”

Wages paid under this system range from \$4 to \$11 per hour (approx), reflecting a range of ability levels.

7.8.5 Practical Application of the Tool

The wage assessment tool is described by Hunter Contracts staff as “pretty straightforward . . . It is very clear what people need to assess against”.

The tool is reported to be highly appropriate to Hunter Contract’s situation, as it has been specifically designed for the work undertaken by this organisation.

The tool has been refined over the years to make it more appropriate and it remains a fluid document.

Hunter Contracts staff have made informal comparisons against other wage assessment tools but are yet to find any that they consider to be more appropriate for their use.

7.8.6 Administrative and Cost Implications

Set-up requirements for the Hunter Contracts Wage Assessment Tool were completed as part of the development process.

The resources required to conduct the wage assessments comprise a part-time qualified assessor and some time from other assessors who review the assessments.

Overall staff time required for the wage assessment process is estimated to be approximately 7 hours/employee/year. This includes completion of the wage assessment and the discussion and meeting that are held with the employee afterwards.

7.8.7 Industrial Relations

Hunter Contracts does not have an Enterprise Agreement. Special Wage Permits are used in accordance with the New South Wales Industrial Relations Act 1996.

7.8.8 Links to Training

On the job training is provided to workers prior to their wage assessments. Workers are specifically trained in preparation for wage assessment and their on-the-job supervisor uses the assessment tool and the competencies contained therein as a guide for training.

The competency checklist is also used during worker's Individual Plan meetings to identify the next steps for the employee's training and development.

The competencies in the wage assessment tool are based loosely on those of the relevant (gardeners' and cleaners') awards.

7.8.9 Process for Disputing/Appealing the Outcome

If the worker is not satisfied with the results of their wage assessment conducted over five days, they can request a further 2 days of assessment. The best 5 out of 7 days assessment results are then used for wage calculation.

The worker also has the option of lodging a formal complaint through the organisation's complaints and grievances procedure. If not resolved locally, there is the further option of taking the complaint to a higher level through the parent organisation, Baptist Community Services.

If their skills change significantly prior to the next scheduled annual review, workers or their supervisors can request a reassessment.

Information Sources:

- Telephone Interview with Allen Mowday, Manager, Hunter Contracts
- Documents provided by Hunter Contracts:
 - Needs and Competency Assessment tools for Cleaners and Gardeners
 - Auditor's Report, Standard 9
 - Application for Special Wage Permit
 - Approved Special Wage Permit

8. Phoenix Society Wage Assessment Tool

8.1 Owner/Developer of the Tool

Phoenix Society Inc.

8.2 Type of Tool

Competency-based

8.3 Number of Business Services Using This Tool

One (Phoenix Society).

8.4 History and Development of the Tool

The Phoenix Society wage assessment process was implemented in 1994 and at that time was incorporated in Enterprise Agreements at both State and Federal levels. From 1996, a state-based Enterprise Agreement was used and the wage assessment process was incorporated in this.

The assessment process has developed over time and has now been reviewed to accommodate recommendations from the organisation's most recent quality audit. The revised wage assessment tool and procedures will be quality audited again on 28 February 2005.

The Wage Assessment Tool was developed in-house by Phoenix Society, with reference to industry standards and award wages. The tool evolved from an employee appraisal system which was already in place and covered most of the areas required for wage assessment.

The latest version of the tool has undergone two trials: a virtual, desk-based trial and then a further trial where the tool was completed for each worker by supervisors and trainers.

The *Guide to Good Practice Wage Determination* (FaCS, 2001), *Disability Service Standards, Quality Assurance Handbook* (FaCS, 2003) and *Training Package for Assessment and Workplace Training* (ANTA, 1999) are referenced in the wage assessment procedures.

The tool is used for workers in all jobs across all of the Phoenix sites.

8.5 Content and Structure of the Tool

The Phoenix Society wage assessment process draws on information from a range of sources:

1. Direct observation
2. Practical tasks
3. Third party reports

4. Written questions
5. Oral questions
6. Simulation/ role play

A combination of the above information sources is selected depending on the individual's circumstances and abilities.

Scores from the wage assessment tool translate into 17 pay levels. Level 1 equates to the minimum wage, Level 10 translates to 25% of the Award and Level 17 is 100%, i.e. full Award wage.

The wage assessment tool has two stages:

- Stage 1 is used for employees from Wage Levels 1 to 10 inclusive;
- Stage 2 is added once employees have been at Level 10 for 12 months and continues to be used through to Level 17.

Stage 1 Assessment

Stage 1 is designed for employees who face significant challenges in the workplace. Stage 1 assesses the following areas:

1. Safety rules awareness/application
2. Quality awareness
3. Task skills/ knowledge
4. Effort
5. Teamwork
6. Support required
 - a) work related
 - b) non-work related
7. Unpaid leave (i.e. not turning up for work without leave entitlement)
8. Punctuality

Each of these areas has ratings which are associated with numerical scores. The ratings and numerical scores are tailored and weighted for each area. For example, in *Safety Rules Awareness/Application*, the ratings and associated scores are:

- Minimal awareness (0 points)
- Some awareness with supervision (2.5 points)
- Applies some awareness with reminding (5 points)
- Able to apply requirements (7.5 or 10 points)

There are guidelines with brief examples to describe the rating categories, e.g what constitutes *minimal awareness* ('unable to recognise unsafe equipment/machinery, unaware of safe or unsafe zones, disregards PPE requirements') etc.

At 0 points, the employee is considered to be *Not Competent*, at 2.5 and 5 points the employee is considered to be *Not Yet Competent*, while at 7.5 and 10 points, the employee is deemed to be *Competent*.

Stage 2 Assessment

Stage 2 assesses performance against workplace competencies where an employee can achieve award wage outcomes. The Stage 2 criteria are more complex than those of Stage 1. Employees at this stage also continue to be assessed against the Stage 1 criteria to ensure that they retain these prerequisite competencies.

Stage 2 assesses the following areas:

1. Safety requirements
2. Quality requirements
3. Interpersonal and communications
4. Supervision requirements
5. Documentation
6. Procedures and regulations
7. Initiative and planning

Each of these Stage 2 areas has several ratings, each scored on a six point scale (0 to 5 points: 0 representing *poor*, through to 5 representing *excellent*).

For example for *Safety requirements*, the ratings are:

- Able to apply safety rules
- Able to maintain good house keeping in own work environment
- Able to demonstrate safe work practices in own work area
- Demonstrates awareness of facility safety procedures
- Able to record/ report and follow up safety issues
- Undertakes an active role in improving safety

As for Stage 1, there are guidelines and examples for each of the ratings.

Other Assessment Documentation

The Phoenix Society wage assessment procedures also include a 'Notification of Annual Wage Assessment' which advises the employee of the date, time and location of their Annual Wage Assessment meeting, informs them of their right to privacy and confidentiality, and invites them to have parents or advocates accompany them to the meeting

An *Entry Skills Assessment* is conducted for new/ prospective employees, but this information is used for placement and training purposes only and not for wage assessment.

8.6 Assessment Process

There are 5 key steps in the Phoenix Society Wage Assessment process:

1. Employee Notification:
The employee receives written *Notification of Annual Wage Assessment* as described in Assessment Content and Structure section above.
2. Annual Wage Assessment Meeting:
The annual meeting is conducted, involving the employee, their parent(s) or other

advocate, trainer and supervisor.

The meeting participants jointly complete the Stage 1 assessment form, and where applicable, the Stage 2 assessment form.

Goals and associated Training/ Actions required to achieve these goals are then documented.

The employee and/or the supervisor can record any additional comments they wish to make about the assessment.

The employee and the supervisor sign the assessment form(s).

3. Calculation of Wage Level:

The employee's wage assessment score and wage level are calculated and the employee is notified of this result.

4. Review or Appeal:

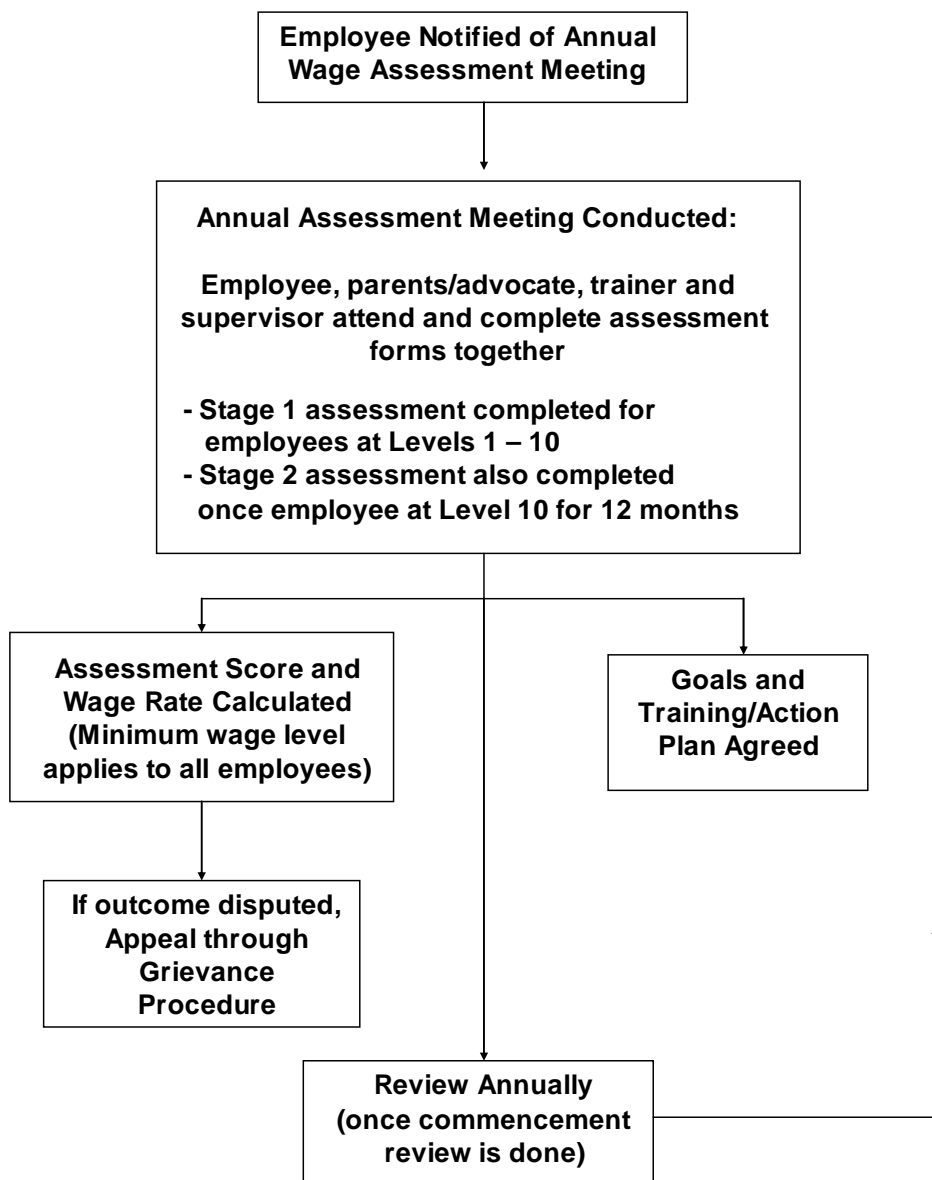
Employees can dispute their assessed wage level through the organisation's Grievance Procedure.

Review of the assessed wage occurs annually.

New employees are reviewed within 3 months of commencement.

The wage assessment process is summarised in the following diagram.

Summary of Phoenix Society Wage Assessment Process



8.7 Scoring and Wage Calculation

1. The scores associated with each rating are added to produce a total wage assessment score. If the employee is at Stage 2 assessment, the points for both Stage 1 and Stage 2 form the total. The maximum possible total point score is 280 points and this would equate to 100% of the Award wage.

2. Each of the 17 pay levels has a band width of assessment score points. For example, scores from 33 to 40 points equate to Level 5.
3. The bottom score in the bandwidth range is used for wage calculation as every employee in that level will meet the minimum of that particular bandwidth. For example, for all employees in the range of 33 to 40 points (i.e. Level 5), 33 points is used for wage calculation.
4. The percentage of Award wage to be paid is calculated by dividing the minimum score in the bandwidth by the maximum possible total score (i.e. 280 points) and then multiplying this fraction by 100 to obtain the percentage.
For example, if an employee's Wage Assessment score is 35 points, this falls within the 33 to 40 point bandwidth, i.e. Level 5. The minimum of 33 points is used in the calculation:
Percentage of Award Wage = $(33/280) \times 100 = 11.8\%$

Employee's wages are graded according to the type of work performed, in relation to either the Phoenix Enterprise Agreement or the relevant industry award, whichever is the higher.

- Employees working in factory type production roles are generally graded in relation to Level P1 of the Phoenix Enterprise Agreement or Level C14 of the Metals SA Award, whichever is the higher.
- Employees working in Clerical roles: Level C1 of the Phoenix Enterprise Agreement or Level 1, Year 1 of the Clerks SA Award.
- Employees working in Training roles: Level T1 of the Phoenix Enterprise Agreement or Level 1, Year 1 of the Disability Services Award.
- Employees working in Furniture Manufacture: Level P1 of the Phoenix Enterprise Agreement or Production Employee Level 1 of the Furnishing Industry National Award 2003.
- Level P5 of the Phoenix Enterprise Agreement or Level 1 of the General Store Workers, Packers, Wholesale Sellers and Distributors Award.

8.8 Good Practice Guide to Wage Determination Criteria

8.8.1 Compliance with Relevant Legislation and Standards

Previous versions of the Phoenix Society Wage Assessment Tool have been approved by the Industrial Relations Commission and incorporated in the Phoenix Enterprise Agreement.

In approving the Phoenix Enterprise Agreement 2004 on 30 April 2004, Deputy President Hampton (Industrial Relations Commission of South Australia) made the following comments:

“ . . . I have dealt with, in recent times, a number of wage assessment tool processes and have gained, I hope, an appreciation of the subtleties to the way in which they operate and their practical implementation, and have read what appears in the agreement and what is now in appendix A(1) I have no hesitation in finding that it will advance the interests of the employees.

It is a substantial advancement in their interests. It is consistent with the modern development of such provisions.”

Quality audit on latest version of the tool is scheduled for end of February 2005.

8.8.2 Validity

The Wage Assessment tool has been in use and refined over the past decade. Guidelines and examples for each of the competency ratings make it clear what each item is assessing.

8.8.3 Reliability

The latest version of the wage assessment tool has been subject to two trials – one desk top, and one actual assessment involving trainers and supervisors. A high level of agreement between the results of both trials for each employee is reported by Phoenix Society management.

The wage assessment is completed jointly by the employee, parent/advocate, trainer and supervisor and this consensus approach largely addresses any concern about inter-rater reliability.

8.8.4 Wage Outcomes

Phoenix Society considers that this holistic approach to assessment provides the fairest outcome for its employees. Attributes such as good attendance and effort are rewarded, even if the employee’s level of disability limits their level of production.

A minimum wage applies to all employees from the time of commencement (i.e. there is no training wage level).

Employees have the opportunity to earn 100% of the Award wage.

In the event that wage assessment indicates an employee’s wage level should be lowered, the following procedure applies:

- The areas that require improvement are outlined to the employee.
- The Training Department is involved in establishing a training program that will assist the employee in improving the identified areas.
- A period of six months is allowed for the employee to achieve the required outcomes. At this time, a pay review is conducted.

If at the completion of the above steps, the employee fails to achieve the required outcomes, the wage grading is adjusted accordingly.

8.8.5 Practical Application of the Tool

Supervisors and trainers record information that feeds into the wage assessment on a routine basis.

Staff have been actively involved in revising the assessment tool and process to ensure that it is practical and appropriate to the work situation.

Once the assessment procedures and forms are finalised, the ongoing work involves organising assessment meetings, developing and monitoring employee goals and training/ action plans.

8.8.6 Administrative and Cost Implications

The latest revision and trialling of the assessment tool has involved a significant amount of staff and management time. A cost for this has not been calculated.

Once established, the ongoing workload is reasonable and equates to approximately 4 hours of supervisor and trainer time and about 2 hours of employee time to complete the annual assessment meeting and goal setting requirements.

8.8.7 Industrial Relations

The wage assessment tool is incorporated in the Phoenix Enterprise Agreement.

Wages are linked to the relevant Awards.

8.8.8 Links to Training

The Annual Wage Assessment Meeting process includes the setting of goals and associated training/ action plans for each employee.

Annual training in key areas such as safety and quality also occurs on a routine basis.

8.8.9 Process for Disputing/Appealing the Outcome

Employees wishing to dispute or appeal their assessment and/or wage outcome can do so through the organisation's Grievance Procedure.

Information Sources:

- Interview with Nina Hayter, Manager Employment Services
- Telephone discussion with Bob Styling (General Manager, Human Resources)
- Written information about the Phoenix Society Employee Wage Assessment Procedure and associated assessments
- Transcripts of Industrial Relations Commission of South Australia proceedings for Phoenix Enterprise Agreements 2002 and 2004

9. PHT Wage Assessment Tool

9.1 Owner/Developer of the Tool

University of Oregon, United States of America.
Adapted by Macquarie University, New South Wales.

9.2 Type of Tool

Productivity-based.

9.3 Number of Business Services Using This Tool

Originally used by 3 services in New South Wales. Currently, Challenge North Shore Inc., operating as CNS Precision Assembly, is the only Business Service in Australia using the PHT Wage Assessment Tool.

9.4 History and Development of the Tool

CNS Precision Assembly has been using the PHT Wage Assessment Tool for around 20 years. The tool was originally developed by the University of Oregon as part of a project to employ people with severe and profound disability. It was introduced to Australia by Trevor Parmenter of Macquarie University.

9.5 Content and Structure of the Tool

CNS Precision Assembly produces electronic assembly work.
The PHT Wage Assessment process involves the following steps:

1. Each of the assembly jobs is broken down into individual tasks.
2. Each of these tasks is timed using 3 or more non-disabled employees.
3. Eighty per cent (80%) of the average time recorded in step 2 is deemed to be the *Standard Time* for the task. This proportion acknowledges that no employee is likely to consistently work at 100% productivity for 100% of the time.

Each task has a number and a Standard Time against which employee output is measured.

9.6 Assessment Process

Assessment is based on the employee's timed output for a task.

Data is collected on a continual basis in the normal course of work. Each employee has daily work output recorded.

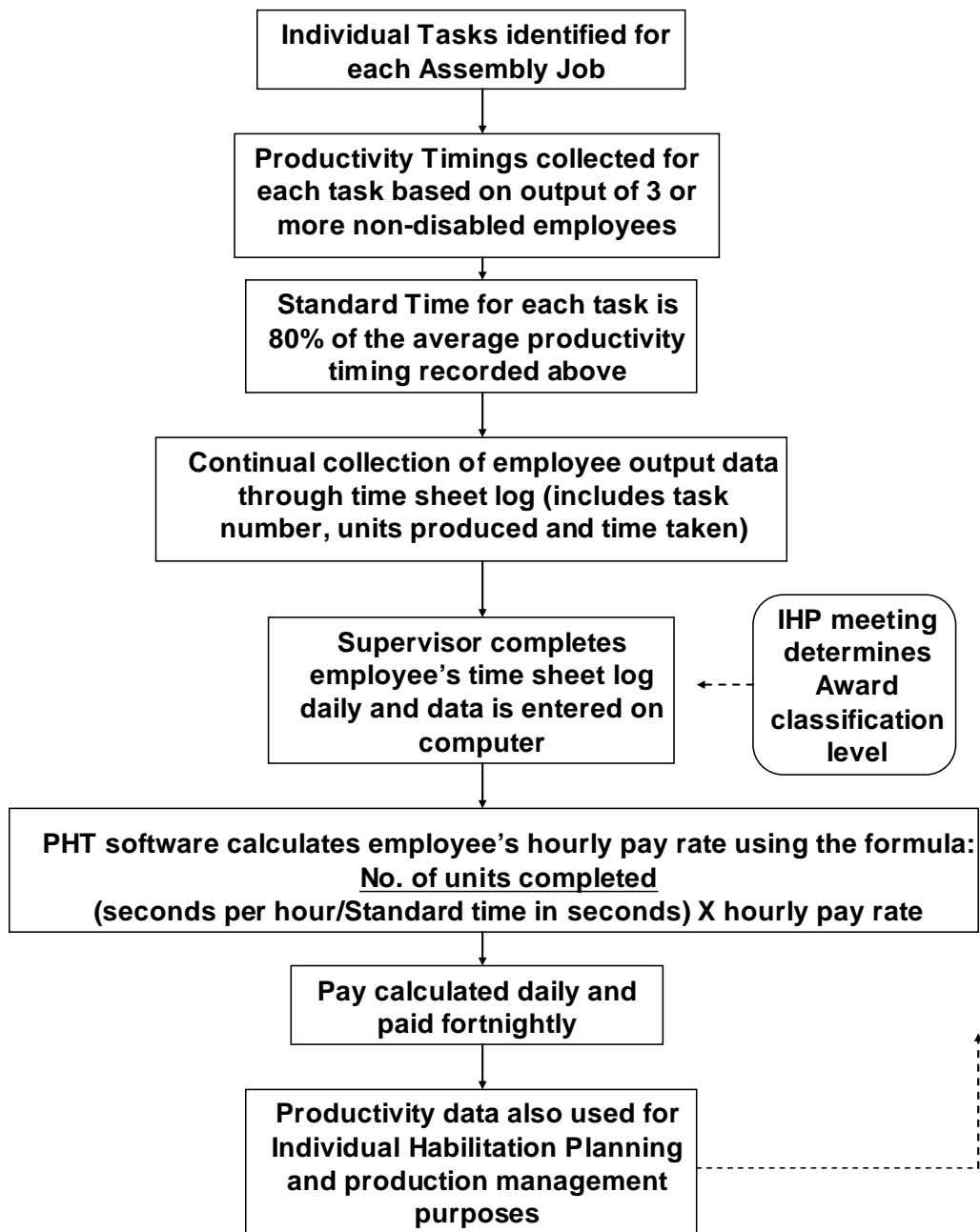
The employee's time sheet logs the Task Number, the number of units the employee produces and time taken to do this.

The employee's supervisor completes the time sheet log daily. The time sheet data is entered into the computerised pay system daily.

The PHT software calculates each day's pay and the employee is paid fortnightly.

A diagram summarising the assessment process appears below.

Summary of PHT Wage Assessment Process



9.7 Scoring and Wage Calculation

The PHT software calculates what percentage of the award rate the employee should be paid by dividing the employee's timed output for a task by the Standard Time for that task.

The formula for calculating an employee's hourly wage rate is:

$$\frac{\text{No. of units completed}}{(\text{seconds per hour/Standard time in seconds})} \times \text{Award hourly pay rate}$$

For example:

The Standard Time for task P21 (Hand Forming) is 8 seconds and at this rate, 100% productivity would result in 450 units being completed in an hour (i.e. 3600 seconds in an hour/ 8 seconds per unit = 450 units).

If an employee produces 300 units of P21 in an hour, their wage rate for that hour would be calculated as follows:

$$\frac{300 \text{ units completed}}{(3600 \text{ seconds per hour/Standard time of 8 seconds})} \times \text{hourly pay rate}$$

i.e. $300/450 \times$ hourly pay rate
in other words, 66.66% of the Award hourly rate.

Payment is based on the New South Wales Metal, Engineering and Associated Industries (New South Wales) Award. There are three classifications depending on skill levels. Employee's classification levels are reviewed at annual or 6-monthly individual habilitation plan meetings.

Employees' wage rates are loaded for the provision of holiday and sick pay (i.e. casual loading).

9.8 Good Practice Guide to Wage Determination Criteria

9.8.1 Compliance with Relevant Legislation and Standards

CNS Precision Assembly has met the criteria for Disability Service Standard 9 in quality audit.

The PHT Wage Assessment Tool has been endorsed for the purpose of Special Wage Permits in New South Wales.

9.8.2 Validity

The wage assessment process is productivity-based and is very transparent. Employees know what they have produced and measurement of number of units produced is objective.

9.8.3 Reliability

The nature of the productivity measurement (i.e. number of units produced in a given time) does not allow for any variability between supervisors, other than the possibility of human error in recording this data onto the time sheet.

Data is collected continuously and so there is no issue with employees' productivity varying for observation periods.

9.8.4 Wage Outcomes

Some employees receive a training wage and others do not receive the minimum wage of \$30/week as they do not have the prerequisite skills. Other than these workers, approximately \$4/hour would be an average rate of pay.

Employees work on a part-time basis and production and therefore pay can be dependent on work being available.

9.8.5 Practical Application of the Tool

The wage assessment is not complicated.

Once the job tasks are identified and the Standard Times are calculated and time sheets set up, the process is straightforward.

The software completes the calculations once time sheet data is entered.

This productivity-based system suits this production environment as the work involves assembly of countable units. The majority (90%) of the work is individual tasks completed by individual workers, rather than team-based work.

9.8.6 Administrative and Cost Implications

Once set up is done, there are no ongoing costs for the wage assessment system. The supervisors are monitoring production in any case and the production data collected for wage calculation is also used for training, habilitation and production purposes.

No specific cost per assessment can therefore be calculated. The set-up cost is also unknown as the system has been in place at this Business Service for 20 years.

9.8.7 Industrial Relations

All employees have Special Wage Permits. These are reviewed annually with respect to the classification level of the Award for each employee.

9.8.8 Links to Training

Where possible, training is done on-the-job during productive time, so that the employee can be paid for this.

The employee's task skills and support needs determine the Award level at which their pay rate is based.

9.8.9 Process for Disputing/Appealing the Outcome

Employees can dispute their wage outcome through the organisation's grievance procedure.

Information Sources:

- Telephone interview with Phil Judd, CNS Precision Assembly
- Written information about the PHT Wage Assessment process provided by CNS Precision Assembly

10. Skillsmaster Wage Assessment Tool

10.1 Owner/Developer of the Tool

Workplace Relations Consulting Pty Ltd (contact person Phil Amos) is the developer of the Skillsmaster System.

Organisations that have purchased and implemented the system and contributed to this description are:

- Northaven Ltd; and
- Gunnedah Workshop Enterprises Ltd

10.2 Type of Tool

Hybrid but emphasis on Competency and performance

10.3 Number of Business Services Using This Tool

It is estimated that approximately 20 Business Services are currently using the Skillsmaster System.

10.4 History and Development of the Tool

The Skillsmaster System has evolved over time. The system originated as a training matrix and subsequently a database system to identify skills gaps and training needs analysis, for employees with or without disabilities. When a wage assessment tool was needed, the system's potential to meet this requirement was recognised.

The Skillsmaster Wage Assessment Tool was developed to comply with legislative and Department of Family and Community Services quality assurance requirements, to provide a fair, equitable and transparent assessment process, and to improve wage outcomes for supported employees particularly those employees with medium levels of intellectual disability and employees with physical and physiological disabilities. Disability Service Standards, particularly Standard 9: *Employment Conditions* were considered in the development process.

KPI 9.1 of standard 9, for example, requires that "a pro-rata wage must be determined through a transparent assessment tool or process, such as Supported Wage System (SWS), or tools that comply with the criteria referred to in the Guide to Good Practice Wage Determination . . ."

The underlying principle of the Skillsmaster tool was, if an employee is to be paid on the basis of an Award, the employee should be assessed against the requirements of the Award. By adopting this principle the system would create clear career paths and training in skills related to and necessary for transition to an open employment environment.

Within each organisation that has adopted the Skillsmaster System, the major streams of work were identified. (In Northaven Ltd, for example, these work streams were *Recycling*, and *Freight Distribution*.)

For each work stream, competency standards were drawn from a mix of National Industry and Enterprise specific standards. Core competencies and task skills were identified in their simplest form (description) for each work stream. (The core competencies did not contribute to wage assessment but were identified for training purposes.) The Skillsmaster System sets up a Job Model for each major job within each work stream and then the required task skill units, elements and performance criteria for the Job Model.

Associated scoring, wage calculation, and database functions were designed and the system continued to be refined.

Skillsmaster is now a computerised system that sets up job models, transfers all of the task units for the identified competencies, receives assessment data, calculates scores and pro-rata wage rates, as well as the functioning as a skills and training database.

The system allows employers to analyse the entire workforce against various criteria contained in the system. These include: Skill gap, Job profile, Desired training, Career path planning, Training needs analysis by job or global, and if required produces a "resume" for employees who wish to seek alternate employment.

In addition to the analysis feature the system maintains training records and training history for employees including costing.

10.5 Content and Structure of the Tool

The *Skillsmaster Wage Assessment System* is a pro-rata award based wage assessment tool for employees with a disability working in a Business Service. In order to determine pro-rata award wages, each employee is assessed according to their ability to complete each of the tasks contained in the employee's allocated Job Model.

The Skillsmaster wage assessment tool comprises:

- a Job Model containing the required task skills (the Job Model is determined by the indicative tasks contained in the award classification structure and required to be performed by a non-disabled employee);
- six criteria for assessment of the employee's performance and output; and
- ratings and associated scores for each of these six performance and output assessment criteria.

As the tool recognises employee competencies in task *units*, an employee is not disadvantaged if they haven't mastered all parts of the work task, i.e. they are credited for those parts of the task in which they are competent.

Although the performance and output criteria may be modified to suit the needs of an individual organisation, these must still be based on the following pre-determined criteria:

- consistency in the completion of the task;
- level of supervision required to complete the task;

- frequency of training required to remain competent;
- levels of output (individual measured productivity); and
- behaviour management.

A *Performance Assessment Guide* table shows the assessment criteria, ratings and scores for each of the six performance and output measures. An automated wage calculator is available to total the scores and calculate the percentage of the award that should be paid.

10.6 Assessment Process

Competency, performance and productivity assessment are completed for each employee with a disability and a percentage of the award wage is determined based on these results.

There are two stages in the assessment process:

1. Competency Assessment; and
2. Performance and Output Assessment.

Competency Assessment

An accredited Workplace Assessor determines if the employee is competent at the tasks being assessed, i.e. the tasks listed in the Job Model for the employee. Competency is determined on a yes/no basis. The assessor conducts the assessment in accordance with Assessor Competency Standard.

Only those tasks in which the employee is assessed as being competent proceed to the second stage of Performance and Output Assessment.

Performance and Output Assessment

The employee's performance and output are assessed for each of the tasks in which competence has been confirmed. The Performance Assessment Guide table (see overleaf) is used to rate and score performance and output for each task.

Performance Assessment Guide

| Assessment Criteria | Rating | Score |
|---|--------------------------|----------|
| Employee can set up a job or perform the task with minimum supervision to a very high standard with output at the same or above the average level of a non-disabled employee. Generally an employee achieving this level would be performing at the same level as a non-disabled employee and able to work from simple specifications, carry out routine maintenance of plant and equipment and use all plant, equipment and hand tools necessary to complete the task. | E = Excellent | 6 |
| Employee can set up a job or perform the task with minimum supervision to a very high standard following training. The employee has well above average levels of output. | VG = Very Good | 5 |
| Employee can use required plant, equipment and hand tools or perform required tasks under minimum supervision following training. The employee has above average levels of output. Plant and equipment would be set up by a support worker. | G = Good | 4 |
| Employee can use required plant equipment and hand tools with supervision or can perform the required task consistently with supervision and irregular frequency of training. The employee is achieving average levels of output and minor behavioural problems. | F = Fair | 3 |
| Employee can use required plant, equipment and hand tools with supervision, or can perform the required task consistently with supervision and medium frequency of training. The employee achieves below average levels of output and behavioural problems. | P = Poor | 2 |
| Employee can use required plant, equipment and hand tools with high level of supervision or can perform required task consistently with high level of supervision and regular frequency of training. The employee has very low levels of output and behavioural problems effecting performance. | VP = Very Poor | 1 |
| Employee has not been trained or is unable too, or cannot carry out the required task consistently without high levels of supervision and frequent training. The employee has no measurable levels of output and has difficult behavioural problems. | X = Not Competent | 0 |

For example, an employee working in the *Garden Maintenance Work Stream* in Job Model *Gardener Level 1*, is assessed as competent in the task unit, *LM01 Cleaning Commercial and Domestic Sites* which comprises:

- 01 Prepare for cleaning
 - Work out what the job needs
 - Work out the standard needed for cleaning depending on the job and what the customer requires
 - Prepare work area for cleaning
 - Check that the area is safe to start work
 - Select cleaning materials and equipment needed
- 02 Carry out cleaning
 - Use equipment and cleaning materials following manufacturer's and workplace rules

The Assessor determines that the employee's performance and output is *Fair*, i.e.:
 'Employee can use required plant equipment and hand tools with supervision or can perform the required task consistently with supervision and irregular frequency of training. The employee is achieving average levels of output and minor behavioural problems.' (as per Performance Assessment Guide table)

The score for this rating is 3 points.

The assessor then completes Performance and Output assessment ratings for the other task units in which the employee is competent.

Scoring and Pro-Rata Wage Calculation

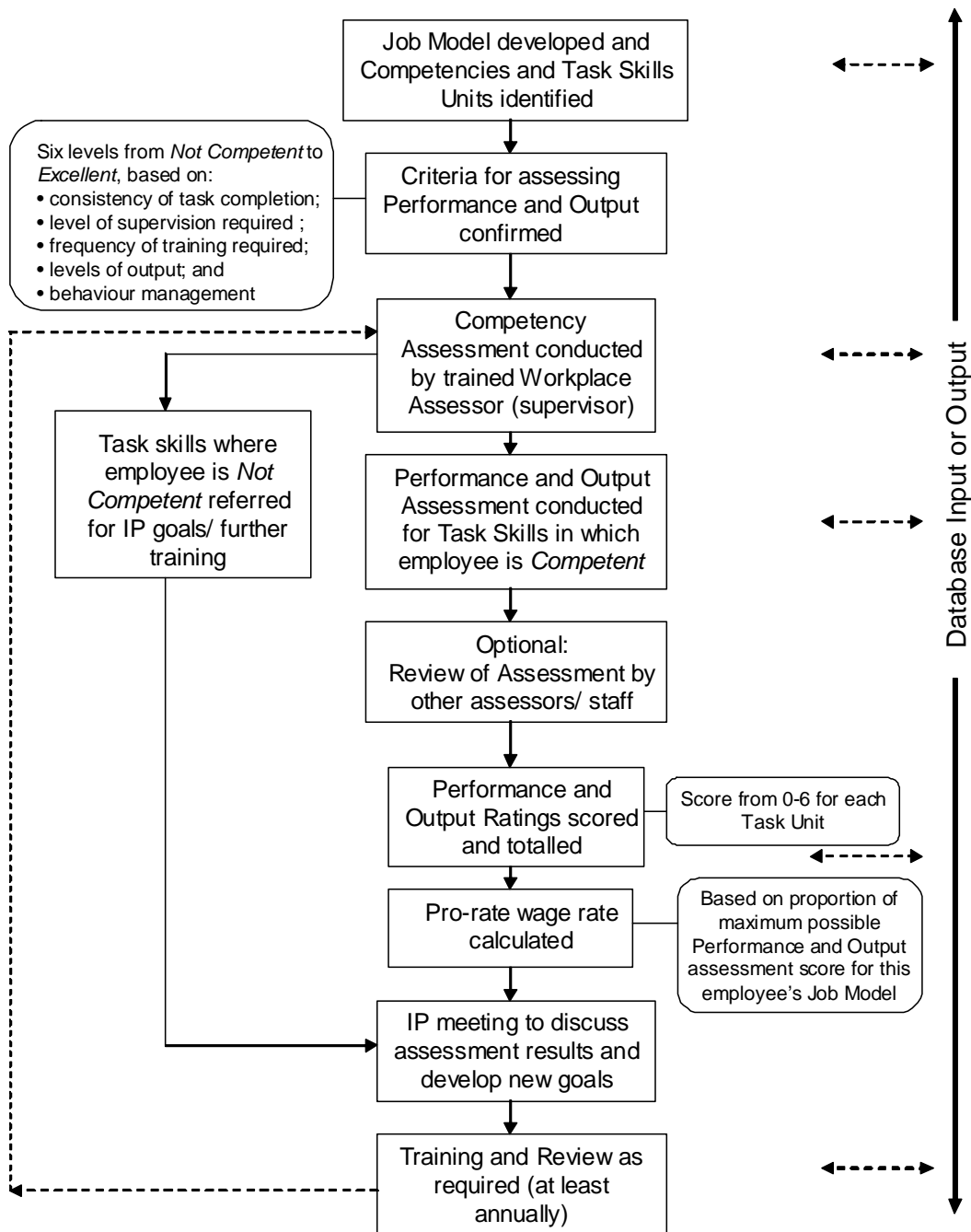
The employee's Performance and Output scores are totalled and translated to a proportion of the award wage. Refer section 7.7 for further details.

Individual Plan

Information from the assessment process is used in the Individual Performance Plan process to set goals for the employee and to assist with career planning.

The wage assessment process is summarised in the diagram below:

Summary of Skillsmaster Wage Assessment Tool Process



Data Collection and Monitoring Process at Northaven Ltd

At Northaven Ltd, data for the assessment process is collected by trained supervisors in training notes and supervisor's diary. Workers rotate around supervisors so there is more than one source of work performance information.

The HR Officer collates the information for all employees and maintains the database. Performance and Output assessment scores are entered and the wage is calculated by computer.

The assessment and wage data are reviewed at least quarterly.

Data Collection and Monitoring Process at Gunnedah Workshop Enterprises Ltd

At Gunnedah, the assessment process starts with on-the-job assessment by the employee's supervisor and compilation of records and progress notes. This is done over a 2 month period.

The supervisor, Training & Development Officer and Manager then discuss and confirm the supervisor's assessment of the employee.

The competencies are scored and then a meeting is held with the employee, parents and/or advocates and each skill is discussed and feedback on the assessment is invited. The wage level is then calculated and the employee's IPP is completed. The IPP considers what the employee needs to do to progress to the next wage level.

10.7 Scoring and Wage Calculation

The Percentage of the Award Rate is defined as "the assessment of an employee's competency and performance demonstrated as a percentage of the employee's ability to undertake all the indicative tasks required to complete a whole job described in the award".

To calculate this percentage, the scores for each performance and output rating assessed for the employee are totalled.

The maximum possible score for a Job Model depends on the number of Task Units in the Job Model. For example, if there are 23 Task Units in the Job Model, the maximum possible points for the Job Model is 138 points (i.e. 23 task units multiplied by maximum of 6 points each).

The system accommodates all employees with varying degrees of ability and forms of disability, and provides a mechanism for progression for those employees capable of progressing to 100% of the award wage. The mechanism overcomes any perceived exploitation of those employees who may have a physical or mild intellectual disability.

For each Job Model, a Wage Level Table is calculated which shows the score range that applies to each level of award wage payment.

For example:

| Skill Level | Score Range | % of Award Wage |
|-----------------------|--------------------|------------------------|
| Level 1 (Entry Level) | 7 – 13 | 5% |
| Level 2 | 14 – 20 | 10% |
| Level 3 | 21 – 27 | 15% |
| Level 4 | 28 – 34 | 20% |
| Level 5 | 35 – 40 | 25% |
| Level 6 | 41 – 47 | 30% |
| Level 7 | 48 – 54 | 35% |
| Level 8 | 55 – 68 | 40% |
| Level 9 | 69 – 82 | 50% |
| Level 10 | 83 – 96 | 60% |
| Level 11 | 97 – 109 | 70% |
| Level 12 | 110 – 123 | 80% |
| Level 13 | 124 - 137 | 90% |
| Level 14 | 138 | 100% |

Different maximum scores and score ranges would apply for Job Models with more or less than 23 Task Units.

If our example employee was assessed as competent in 12 of 23 Task Units and scored a total of 33 points when Performance and Output was assessed for these tasks, the employee would be entitled to 20% of the award wage.

The Skillsmaster System database can automatically calculate the pro-rata rate and hourly pay rates from data input to the Employee Competency Record, Job Model database and Award Wage information provided by the user.

10.8 Good Practice Guide to Wage Determination Criteria

10.8.1 Compliance with Relevant Legislation and Standards

Northaven Ltd report that quality audit by International Standards Certification Pty Ltd found that the Skillsmaster Wage Assessment Tool complied with legislative requirements and Disability Service Standards.

Gunnedah's quality audit results also endorsed the use of the Skillsmaster tool:

“Excellent rates of pay are being achieved and a very transparent Wage Assessment Tool has been implemented.” (Quality Audit Report, International Standards Certification Pty Ltd, 9 November 2004, Comments for Standard 9)

The organisation's compliance with the Disability Service Standards was described as "high", due in part to the introduction of the new wage assessment tool.

10.8.2 Validity

Current users of the tool report that there are no apparent problems with validity. The tool's transparency is described as "good" (Northaven Ltd).

Gunnedah Workshop Enterprises Ltd reports that the tool "gives a very good assessment of the employee's ability and also their output". Gunnedah adds that the tool is open and transparent enough for parents and advocates, to understand and that it makes sense even to lay people.

10.8.3 Reliability

Skillsmaster's developer says that the tool can be used by any person who has been trained as a Workplace Assessor; however, random checks for reliability are suggested.

Northaven Ltd uses observations of multiple supervisors as input for each employee's assessment and considers that this should account for any significant individual bias or differences that might occur.

At Gunnedah, the procedure of review by 3 staff is used to ensure reliability.

Some of the services using Skillsmaster have been discussing the option of exchanging assessors to increase the independence of assessment.

Behavioural issues were identified as the most difficult aspect to assess consistently.

10.8.4 Wage Outcomes

Northaven Ltd reports that wage levels increased by an average of 105% when the system was implemented. Anecdotal evidence is reported to suggest that wage levels are similar to those in other organisations using wage assessment systems.

As noted earlier, quality audit at Gunnedah described the wage outcomes as 'excellent'.

10.8.5 Practical Application of the Tool

Northaven Ltd reports that the Skillsmaster System allows them to rate any employee in any job. The process of calculating the assessment scores and pro-rata award rates is described as "mathematically very straightforward". Even though the two main work streams at Northaven (recycling and freight forwarding) have very different skill requirements, the system works well for both.

Other benefits include the use of the assessment information for individual planning purposes and the incentive that the whole wage assessment process provides for employees.

Because each job model relates to an award classification for the type of work undertaken the information can be standardised and shared with other organisations doing similar types of work. For example, if two or more organisations had Lawn and Garden maintenance crews each organisation would employ people using the same core and task skills and job model.

10.8.6 Administrative and Cost Implications

Northaven Ltd describes the implementation process as “simple” and the ongoing use of the tool as “easy and straightforward”. The associated software is described as “user-friendly”.

As the organisation has qualified Workplace Assessors, the process can be done independently in-house. Other than what have been described as ‘reasonable’ set up costs, the only ongoing cost of the system is in staff time.

All assessment at Gunnedah Workshop Enterprises Ltd is done in-house as the organisation has 5 trained Workplace Assessors. Initial set-up of the system was described as time-consuming, for example, selecting competencies appropriate to the jobs and conducting trial assessments.

Ongoing administration of the system at Gunnedah involves continual assessment of every employee, with supervisors maintaining case notes and transferring information onto assessment forms for computer entry. Training information and other data are also entered onto the computer system.

In terms of staff time in collecting and updating assessment information, planning and training, Gunnedah estimates that the wage assessment system could require approximately 48 hours per client per year, although it should be noted that this time also contributes to other requirements (e.g. DMI assessment and Individual Plans).

10.8.7 Industrial Relations

The Skillsmaster Wage Assessment Tool has been accepted by the Industrial Relations Commission and incorporated into Northaven Ltd’s Workplace Agreement. The Commission reportedly commented on the transparency and plain English aspects of the tool.

The tool was also included in the Certified Agreement for Gunnedah Workshop Enterprises Ltd and many other agreements recently certified in both the New South Wales and Federal Industrial Relations Commissions.

10.8.8 Links to Training

The Skillsmaster System provides a strong link to training, particularly given the origins of the system as a training database.

Competencies for specific jobs have been drawn where possible, from the relevant awards. For example, for recycling jobs, the Transport Award was used with some adaptations. The skills are based on industry requirements and have been linked

to the Training Framework and are totally transportable from one employer to another.

Gunnedah reports that the Skillsmaster System allows the employer and employee to identify what training the person requires to enable them to progress to the next level of payment in the Agreement.

10.8.9 Process for Disputing/Appealing the Outcome

Schedule C (*Wage Assessment Tool*) of the Northaven Ltd Workplace Agreement 2004 specifies that "A mechanism must be in place to allow employees to appeal a decision of the Workplace Assessment Panel regarding the assessment or the assessment process. Such appeal should be in accordance with Clause 7.1 *What do employees do if they have a grievance or dispute with the organisation or another employee?*"

Information Sources:

- Telephone Interviews with:
 - Joe Holahan, Northaven Ltd; and
 - Mike Hull, Gunnedah Workshop Enterprises
- Telephone discussion and written and training information provided by Phil Amos, Workplace Relations Consulting Pty Ltd

11. Yumaro Wage Assessment Tool

11.1 Owner/Developer of the Tool

Yumaro Inc and the Transport Workers Union of New South Wales

11.2 Type of Tool

Competency-based

11.3 Number of Business Services Using This Tool

Approximately 15 Business Services in New South Wales have adopted the Yumaro method.

11.4 History and Development of the Tool

The Yumaro Wage Assessment Tool was developed 4 to 5 years ago and was approved by the Industrial Relations Commission of New South Wales as part of the Yumaro Leisurewear Enterprise Agreement in 2001 for the first time and again in 2003/04.

The Yumaro wage assessment process is not based on any other particular tool. Valmar Support Services and Yumaro Inc considered options for a wage assessment tool together and so the Valmar and Yumaro processes are similar.

A key feature of the Yumaro tool is that it is tied into a section of the Clothing Trades Award (the section for slow and disabled workers), therefore, a special award did not have to be written.

Work tasks were broken down into skills and aligned with the national award. Whereas some other wage assessment tools have incorporated non-job related skills (i.e. more general work-related competencies), Yumaro considered this to be cumbersome. All skills in the Yumaro tool are specifically job-related.

The Yumaro assessment tool is based on skill and not on speed. Productivity was not considered to be the foremost consideration. Yumaro wanted to reward employees' skills rather than speed.

The employee is aligned with a job under the award and if they can do the job, they get the associated pro-rata rate of award pay.

Yumaro worked closely with the union in developing the wage assessment system and linking this to the award. The tool was adapted slightly to conform with industrial requirements.

Overall, it took 12-18 months to develop the wage assessment tool and it was reviewed again in late 2003/ early 2004 when the enterprise agreement was reviewed by the Industrial Relations Commission of NSW.

11.5 Content and Structure of the Tool

The Yumaro wage assessment tool is competency-based. At each skill level, there are specified competencies.

For example, at **Level 1**:

“An employee at this level exercises minimal judgement, and performs a small range of basic tasks that are relevant to their job description, using well established techniques and practices either individually or in a team environment.

The duties of an employee shall include:

- Good housekeeping/ general cleaning
- Clipping finished goods
- Ragging and bagging waste material
- Laying out material (supervised)
- Marking bags
- Any other activities for which the employee has been training and the Union or Yumaro consider appropriate to classify at this level.” (Clause 11, Yumaro Leisurewear Enterprise Agreement, August 2003)

By **Level 7**, in addition to the duties for Levels 1 through 6, the employee must be able to perform the following additional duties:

- Full assembly of products (as a guide this should include the use of two or more machines
- Using cutting equipment
- Maintenance of machinery
- Any other activities for which the employee has been training and the Union or Yumaro consider appropriate to classify at this level. (Clause 11, Yumaro Leisurewear Enterprise Agreement, August 2003)

Employees don't have to have all of the competencies to progress to the next skill level but they do have to have the identified dominant competency or combination of competencies. This ensures that the tool does not discriminate against workers with certain types of disability (for example, an employee who has cerebral palsy and cannot master a physical competency).

11.6 Assessment Process

The Yumaro wage assessment system uses an Independent Wage Assessor (approved by Yumaro and the union). Two wage assessors are now employed on a part time-basis to a total of 6 days per week (for 80 employees).

The independent wage assessors work in conjunction with other Yumaro staff and the union.

Notification of an individual Employment Assistance Plan meeting is given to the employee, their carer or parent, advocate, etc.

At the meeting, the wage assessment process is explained to the worker and their parents and/or advocate.

The work tasks undertaken by the employee over the past 12 months are then discussed and the factory supervisor may also be involved in this discussion.

The independent wage assessor goes through all of the competency levels with the employee and those that have been achieved are ticked. Competencies that the employee would like to develop over the next year are also identified. If there is uncertainty as to whether the employee has achieved a particular competency, a practical demonstration may be arranged. (This is not timed.)

The employee's overall skill level and associated wage level is identified. A work contract including the agreed wage level is signed and an explanatory letter is provided to the employee. A copy of each wage assessment is also sent to the union.

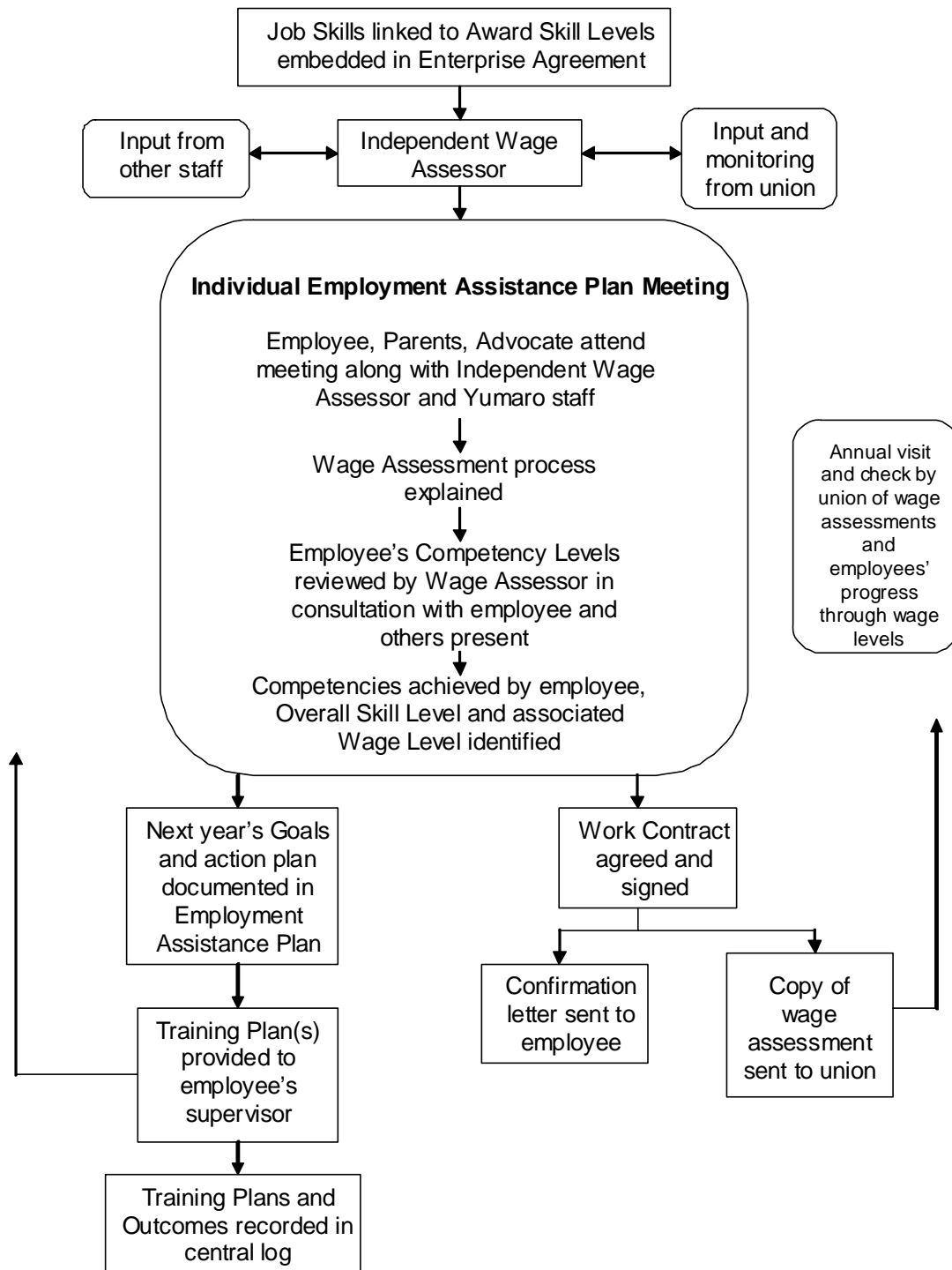
The individual's Employment Assistance Plan documents the next year's goals and action plan which forms the basis for a Training Plan(s) that is provided to the employee's supervisor on the factory floor.

A centralised log of Training Plans and outcomes is maintained. Each Training Plan focuses on one task for an employee, so an employee can have multiple Training Plans but all of these will be very specific.

Once a year, union officers visit Yumaro and check the wage assessments and the progress of employees against wage levels. This provides a further safeguard for the system.

The assessment process is summarised in the diagram overleaf.

Summary of the Yumaro Wage Assessment Process



11.7 Scoring and Wage Calculation

There is no scoring or numeric calculation as such in the Yumaro wage assessment system. Competencies are identified for each skill level and these then link directly to award skill levels and pro-rata pay rates incorporated in the Yumaro Enterprise Agreement.

11.8 Good Practice Guide to Wage Determination Criteria

11.8.1 Compliance with Relevant Legislation and Standards

The Industrial Relations Commission of New South Wales has determined that the Yumaro wage assessment process, as incorporated in the Enterprise Agreement, complies with the relevant industrial legislation (see section (g) below for further details).

Quality audit of Yumaro services has also endorsed the outcomes of the wage assessment system. For example:

“Excellent rates of pay being achieved.”

“During the audit it was observed that again, the organisation provided a very high level of service and continued with a high standard of compliance to the Disability Service Standards.” (Comments from Audit Report by International Standards Certifications Pty Ltd, 2 November 2004)

Yumaro reports that all other Business Service that have examined the Yumaro system have implemented it and all have passed quality certification.

11.8.2 Validity

The Yumaro wage assessment method is reported to be very easy for employees to understand and provides incentive for employees to try to attain higher level skills. Employees understand that their wage is related to the work that they do.

The assessment process is competency-based and employees have progressed through the wage levels as their competencies have increased.

11.8.3 Reliability

A number of people are involved in the wage assessment process including the employee, their advocate, their supervisor, the independent wage assessor and union representative(s).

The involvement of multiple parties, including external representatives, minimises any chance of individual bias or misinterpretation.

The simplicity and specificity of the system also adds to its reliability.

Skill levels are linked to the industrial award and are easily checked, leaving very little room for guesswork or personal judgement.

11.8.4 Wage Outcomes

Only one Yumaro employee remains on Level 1 rate of pay. All others have progressed at least one wage level with many moving up through multiple levels. One employee has progressed from Level 2 to Level 5 in three years.

Once an employee reaches 40% of the award rate at a particular skill level, they can move up to the next skill level. There are now 7 skill levels under the Clothing Trades Award. Refer to the table below.

Classification Levels and Percentage of Award

| Position/ Classification | Percentage of Award Skill Level 2 |
|-------------------------------------|--|
| Level 1 | 21.61% |
| Level 2 | 25% |
| Level 3 | 30% |
| Level 4 | 35% |
| Level 5 | 40% |
| | Percentage of Award Skill Level 3 |
| Level 6 | 40% |
| | Percentage of Award Skill Level 4 |
| Level 7 | 40% |

The average hourly rate of pay for an employee at Yumaro is around \$4.75 per hour.

11.8.5 Practical Application of the Tool

Yumaro reports that the tool is simple, easy and cost effective to use and is well-tailored to the needs of employees and the work performed at Yumaro.

11.8.6 Administrative and Cost Implications

The set-up requirements for the Yumaro wage assessment method include:

- defining the competencies required for job tasks and linking these to awards;
- setting up tasks across several awards, or using each industry/ division as a separate assessment;
- consultating with the union (e.g. to determine the monetary value for each skill level);
- selecting, approving and appointing an independent wage assessor;
- designing documentation forms and system;
- using a 'buddy' arrangement with an experienced assessor for first round of assessment; and

- ensuring that the financial viability of the Business Service will be maintained if this wage assessment system is introduced.

Yumaro estimates that the set-up process could take from 3 days to 2 weeks, depending on the nature of the Business Service, experience of staff, etc.

11.8.7 Industrial Relations

There has been extensive involvement of the union in the development and monitoring of the Yumaro wage assessment system.

This system has been approved by the Industrial Relations Commission of New South Wales as part of the Yumaro Leisurewear Enterprise Agreement in 2001 and 2003.

Cooma Challenge based their wage assessment tool on Yumaro's, although in this case, the union wrote up a special award which has recently been approved.

11.8.8 Links to Training

The Yumaro wage assessment process links directly to Training Plans. Training goals and action plans are prepared as part of the Employment Assistance Planning process for each individual.

The competencies used in the assessment are linked to the relevant award(s).

11.8.9 Process for Disputing/Appealing the Outcome

A Dispute Resolution process is included in the Yumaro Enterprise Agreement (Clause 17). To date this has not been used. The process involves review of the disputed assessment and further demonstration of the competency/ skill concerned.

There is also a right of appeal to the union. Employees are reported to be very aware of the union arrangements and a union convenor meets with them 3-4 times per year.

Information Sources:

- Telephone Interview with Dan Davies (Manager) and Tony Russell (Independent Wage Assessor), Yumaro
- Written information provided by Yumaro, including Quality Audit report, Yumaro Leisurewear Enterprise Agreements 2001 and 2003, and Commissioner's Decision 2003.

12. Summary of Ratings of Tools Against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Civic Industries Supported Employees Wage Assessment Tool | Elouera Association Wage Assessment Tool | FWS Wage Assessment Tool | Greenacres Association Competency Based Wages System | Hunter Contracts Wage Assessment Tool |
|---|---|--|--|--|---|
| Compliance with relevant legislation and standards | Complies. QA audit and AIRC opinions support this | Complies. QA audit and review by FaCS | Complies. QA audit and IRC opinions support this | Complies. 3 QA audits support this. Criteria also met for other BS users of the Greenacres CBWS system | Complies. QA Audit supports this. Assessment system used for Special Wage Permits (NSW) |
| Validity and Reliability | Rigorous process. Extensive observation, documentation and review. 3 staff involved in assessment process. | Trial results consistent with expected outcomes. Assessment data collected over 3 months. Consistent criteria used. Assessment overseen by HRO and results checked by Manager. | Transparent process. Assessment data collected over 3 months by more than 1 supervisor. Review and discussion with Outlet Coordinator. QA audit report suggests reasonable inter-rater reliability | Disability and IR specialists involved in research and development of tool. Review by NSW Community Health ITAB endorsed the tool as reliable and valid. QA audit also confirmed validity and reliability. | Transparent process. Employees know when and how they are being assessed. One assessor completes assessment for all employees and these are then reviewed by other Cert IV qualified assessors who know the employee. |
| Wage Outcomes | Average increase of 45% in wage outcomes when tool introduced | Wage outcomes higher than if BSWAT used (based on BSWAT trial) | Average increase of 40% in wage outcomes in first year and 14% in second year | Wage levels have risen and QA report notes that many employees are progressing up wage levels | QA Audit reported good level of wage outcomes. Employees are progressing through wage levels and to open employment. |
| Practical application of the tool | Time consuming but appropriate to CI's situation and can be used for other multi-disciplinary Business Services | Staff report tool is easy to use. Assessment data can be collected as part of normal work routine. | Once initial set-up complete, much of the administration is spread over the year. Information gathering is integrated with QA, ICP and CBF requirements | Greenacres staff report CBWS is easy to use. Testimonials received from other Business Services using the Greenacres CBWS. | Tool specifically designed for Hunter Contract's situation. Staff report that it is straightforward to use. |

| Good Practice Guide to Wage Determination Criteria | Civic Industries Supported Employees Wage Assessment Tool | Elouera Association Wage Assessment Tool | FWS Wage Assessment Tool | Greenacres Association Competency Based Wages System | Hunter Contracts Wage Assessment Tool |
|---|--|---|---|---|--|
| Administrative and cost implications | Approx 35 hours of staff time/employee/ year including observation, documentation, meeting with employee and some CBF requirements | Approx 4-5 hours of staff time/employee/ year including observations, data entry, and Individual Plan/ Review meeting | Approx 2 hours of staff time/employee/ year (not including collection of assessment data) | Approx 5 hours of staff time/employee/ year. Task analysis can take 2 hours + per job. Can have external assessors if desired but generally not used. | Part-time qualified assessor and other staff time required to conduct and review wage assessments. Approx 7 hours/employee/year required for wage assessment process. |
| Industrial relations | Incorporated in Workplace Agreement | Incorporated as a variation to Workplace Agreement, approved by Office of Employment Advocate | Incorporated in Enterprise Agreement | Developed in conjunction with the LHMU and included as a Consent Agreement | Special Wage Permits used in accordance with NSW Industrial Relations Act 1996 |
| Links to training | Work Associated Competencies linked to national competencies | Task Competencies based on national industry standards. Tool used to identify training needs and annual goals. | Wage assessment information links to Individual Career Plan and Training Plan. Some links to national training standards. | ITAB commended Greenacres Competency Continuum as 'exemplary practice'. Wage assessment data links to individual training through the employee's IP | On the job training provided prior to wage assessment. Specific training in preparation for assessment. Competency checklist used in IP meetings to identify next steps for training. |
| Process for disputing/appealing the outcome | Appeals mechanism in place and employees aware | Grievance and Complaints procedure. Section in annual meeting where employee can comment. Induction training includes wage assessment process | Appeal process through Complaints procedure. Employees aware. | Grievance procedure plus external avenues. All employees receive annual training on wage system and grievance procedure. | Employee can request further 2 days of assessment. Best 5 out of 7 days then used for wage calculation. Formal complaint can also be lodged through Complaints and Grievances procedure. |

| Good Practice Guide to Wage Determination Criteria | Phoenix Society Wage Assessment Tool | PHT Wage Assessment Tool | Skillsmaster Wage Assessment Tool | Yumaro Wage Assessment Tool |
|---|---|---|--|---|
| Compliance with relevant legislation and standards | Previous versions of the tool have been approved by Industrial Relations Commission of SA as part of EBA (latest in April 2004). Tool revised following recommendations from latest QA audit (No significant issues previously). Next QA audit scheduled end of February 2005. | Criteria met for Disability Service Standard 9 in Quality Audit. PHT Wage Assessment Tool endorsed for the purpose of Special Wage Permits in NSW. | Complies. QA audit reports for at least 2 Business Services support this. | Complies. QA audit report and NSW IRC determination support this. |
| Validity and Reliability | Tool in use and refined over past decade. Guidelines and examples make it clear what each item is assessing. Two trials conducted for latest version of the tool. Wage assessment completed jointly by employee, parent/advocate, trainer and supervisor. | Productivity-based and very transparent. Employees know what they have produced and measurement of the number of units produced is objective. Data is collected continuously. | Business Services report good transparency and validity. Multiple assessors contribute to each employee's assessment. | Simple and specific. Supervisor, independent wage assessor, union rep and employee & advocate all involved in assessment. Skill levels are linked to awards and are easily checked. |
| Wage Outcomes | Minimum wage applies to all employees from time of commencement. Employees have the opportunity to earn 100% of the Award. | Some employees receive a training wage and others do not receive minimum wage as they do not have required skills. Others receive average pay of \$4/hour. | Wage levels increased by average of 105% in 1 Business Service. QA report for another BS describes wage outcomes as 'excellent'. | Only 1 Yumaro employee remains on Level 1 wage rate. All others have progressed at least 1 wage level, many by multiple levels. |
| Practical application of the tool | Supervisors and trainers routinely record information that feeds into wage assessment. Once procedures and forms have been finalized, the ongoing work involves organizing individual assessment meetings, developing and monitoring employee goals and training/ action plans. | Once job tasks are identified and Standard Times are calculated and time sheets set up, process is straightforward. PHT software calculates wage once time sheet data is entered. | Allows Business Service to assess any employee in any job. Users say it is straightforward and easy to use. Information is standardized and can be shared with other Business Services for similar jobs. | Yumaro system is reported to be simple, easy to use and cost effective |

| Good Practice Guide to Wage Determination Criteria | Phoenix Society Wage Assessment Tool | PHT Wage Assessment Tool | Skillsmaster Wage Assessment Tool | Yumaro Wage Assessment Tool |
|---|--|--|---|--|
| Administrative and cost implications | Once established, ongoing workload is reasonable. Approx 4 hours of supervisor and trainer time and 2 hours of employee time required to complete annual assessment meeting and goal setting | Once set up is done, there are no ongoing costs. Supervisors are monitoring production in any case and the production data is used for several purposes. | One BS estimates approx 48 hours of staff time/employee/year but this includes CBF and Individual Plan requirements | Set up process can take from 3 days to 2 weeks depending on nature of the BS |
| Industrial relations | Wage assessment tool is incorporated in Phoenix Enterprise Agreement. Wages are linked to relevant award. | All employees have Special Wage Permits which are reviewed annually re classification level of the Award. | Incorporated in agreements recently certified in NSW and Federal Industrial Relations Commissions | Extensive union involvement in development. Approved by NSW IRC as part of Yumaro EBA. |
| Links to training | Annual Wage Assessment Meeting includes setting goals and associated training plans for each employee. Annual training also occurs in key areas such as safety and quality. | On-the-job training. Employees' task skills and support needs determine the Award level at which their pay rate is based. | Includes a training database with strong links to training. Competencies drawn from awards and Training Framework – transferable to other employment situations | Links directly to Training Plans. Competencies linked to relevant awards. |
| Process for disputing/appealing the outcome | Outcomes can be disputed through the organisation's Grievance Procedure. | Outcomes can be disputed through the organisation's Grievance Procedure. | Appeal requirements written into Workplace Agreement | Dispute resolution process included in EBA. Also a right of appeal to union. Union rep visits regularly. |

13. Comparison of Other Wage Assessment Tools with the BSWAT

There are a number of differences between the BSWAT and the other wage assessment tools described in this report. These differences are not necessarily universal and may vary from tool to tool.

Key differences occur in the way in which the BSWAT assessment process is conducted. For example:

- the use of independent external assessors; and
- the use of an interview process and oral questions to determine the worker's core competencies (albeit with some input from supervisor's observations).

In general terms, the other wage assessment tools and processes tend to:

- use internal staff to collect assessment data (all have a review process and most also use multiple assessor input to control for personal bias, etc);
- have a greater focus on competency assessment (with the exception of one productivity-based tool);
- have a three month or longer period for competency data collection; and
- use observation and performance as the main methods of assessing competency, rather than employee interview.

Some tools use graded levels of competencies (including core competencies) such that the complexity of required competencies increases as wage level increases.

Business Services identified specific differences or similarities between their wage assessment tools and the BSWAT. Refer to the following table.

| Wage Assessment Tool | Key Difference or Similarity with the BSWAT (as identified by the tools' owners) |
|--|---|
| Civic Industries Supported Employees Wage Assessment Tool | Higher emphasis on competency than productivity when compared with the BSWAT |
| Elouera Association Wage Assessment Tool | Uses the same calculation formula, Task Areas and Core Competencies as the BSWAT, although the competency items and questions are different. More similar to the earlier version of the BSWAT than the final version. Weightings for the Task Areas in the Elouera tool can be adjusted if required depending on the business, while those of the BSWAT are all weighted at 25% |
| FWS Wage Assessment Tool | The FWS tool multiplies competency and productivity scores compared with the BSWAT which adds them |
| Greenacres Association Competency Based Wages System | Higher emphasis on competency than productivity when compared with the BSWAT. Productivity measured against an average of peers, whereas the BSWAT uses able-bodied comparisons. |
| Hunter Contracts Wage Assessment Tool | Competency-based assessment. A key difference from the BSWAT is that productivity is not measured in the Hunter Contracts tool. |
| Phoenix Society Wage Assessment Tool | Competency-based assessment. A key difference from the BSWAT is that productivity is not measured. Phoenix wage assessment is completed jointly by the employee, parent/ advocate, trainer and supervisor, whereas BSWAT is completed by external assessor. |
| PHT Wage Assessment Tool | PHT only measures productivity, whereas the BSWAT also measures some competencies. |
| Yumaro Wage Assessment Tool | Higher emphasis on competency than productivity when compared with the BSWAT BSWAT assessment process appears more cumbersome and less cost effective than the Yumaro model but produces only minor differences in wage outcome. |

Focus on competency assessment rather than productivity was a recurring theme in discussions.

The fact that the BSWAT assessment is government-funded was seen as a significant feature. This was viewed favourably by some Business Services who do not have the resources to develop or purchase a wage assessment tool (particularly small organizations). Services using their own tool or a purchased tool suggested that this was an inequitable arrangement and that Business Services using other wage assessment tools that satisfy the good practice criteria should receive some form of funding for wage assessment.

14. Conclusions

The wage assessment tools reviewed for this project all appear to satisfy the *Good Practice Guide to Wage Determination* Criteria when implemented according to the documented procedures for each tool. The *degree* to which each criteria is satisfied may vary from tool to tool.

Some of the tools have been developed in close consultation with unions and all have satisfied industrial relations requirements. Most also have documented evidence of compliance with Disability Service Standard 9.

Although we have been unable to obtain a consistent and reliable measure of wage outcome across agencies, quality audit reports, anecdotal information and the limited wage data that is available suggest that these alternative tools are delivering fair wage outcomes.

A defining feature of most of the reviewed wage assessment tools, when compared to the BSWAT, is an increased focus on competency assessment. In many cases, the Business Services using these tools have identified reasons why they consider the BSWAT would not be appropriate for their business and/or their employees.

Perhaps the most important conclusion from this research is that some flexibility is required to accommodate the diverse nature of the types of products and services produced by Business Services and the range in types of disabilities and support needs of their workforce populations. In other words, a single wage assessment tool, from those currently available, is not likely to meet the needs of all Business Services.

It is important that employees' rights to a fair and equitable wage are upheld and that the wage assessment processes used to determine wage outcomes are of a high standard. To this end, a requirement that such processes satisfy the *Good Practice Guide to Wage Determination* criteria is recommended. The documentation of specific performance indicators for each of these good practice criteria would assist in determining this compliance.

References

CRS Australia (May 2004), *Administrative Guidelines – Wage Assessment Tool for People with Disabilities Working in Business Services*

CRS Australia (June 2004), *Supervisor's assessment workbook (Business Services Wage Assessment Tool)*

CRS Australia (June 2004), *Supervisor's Wage Tool Assessment Guide (Business Services Wage Assessment Tool)*

CRS Australia (July 2004), *Wage Assessment at Your Business Service – Easy English Version*

CRS Australia, *Business Services Wage Tool*,
<http://www.crsaustralia.gov.au/bwst/index.htm>

Department of Family and Community Services (May 2001), *A Good Practice Guide to Wage Determination*

Department of Family and Community Services, *Wage Assessments in Business Services*, http://www.facs.gov.au/internet/facsinternet.nsf/disabilities/services-wage_assess.htm

Evolution Research (December 2003), *Quality Assurance Report: Business Service Wage Assessment Tool – Demonstration Phase*

Part Two

Part Two of the report consists of the analysis by Jenny Pearson and Associates of eleven additional wage assessment tools used in disability employment business services. As in Part One, a detailed description of each wage tool has been provided, including how the tool works and the wage outcomes produced for supported employees.

The structure of Part Two differs in that it includes a separate report on each of the eleven additional wage tools. Accordingly, the analysis of each tool against the *Guide to Good Practice Wage Determination* criteria is provided separately for each tool rather than as a final summary table. Similarly, a separate conclusion for each wage tool has also been provided.

15. Description of the Woorinyan Wage Assessment Tool

15.1 Owner/Developer of the Tool

Woorinyan Employment Support Service

15.2 Type of Tool

Productivity

15.3 Number of Business Services Using This Tool

One (Woorinyan Employment Support Service)
Woorinyan also uses the BSWAT for one worksite.

15.4 History and Development of the Tool

In 1998, Woorinyan Employment Support Service applied to use the Supported Wage System; however, the composition of its workforce meant that the organisation was ineligible. Woorinyan management visited other services to observe their wage assessment processes. Woorinyan decided to use the principles of the Supported Wage System and time was spent with a Supported Wage Assessor to gain more detailed understanding of that process. Competency-based assessment was not used as there was concern about discounting wages on the basis of competency and about possible subjectivity where aspects of competency are assessed.

Four tasks were identified in each workplace and task components were defined and baseline productivity rates were set. Support staff received ongoing training in the wage assessment process for about 12 months.

The original Woorinyan Agreement was based on the average of the five awards being used in Woorinyan enclaves during 1999-2000. This system has now been replaced by linking wages to the Casual Worker Minimum Adult Wage set by the Australian Industrial Relations Commission (the Minimum Adult Wage is adjusted each year on 1 July). The productivity assessment method was implemented in 1998 and was incorporated in the Woorinyan Enterprise Agreement in 2000.

After a period of discussion and consultation with workers, families and carers, the first Woorinyan Enterprise Agreement was certified by the AIRC on 27 June 2000. The current agreement was certified on 19 September 2002 and is due for renewal later this year

15.5 Content and Structure of the Tool

There are four key components of the Woorinyan wage assessment tool:

- Tasks and task components for each workplace;
- Baseline productivity measures;
- Observations of workers' productivity rates; and
- Calculation of productivity rates and wage rates for each worker (using the worker's observed productivity rate, baseline rate and time weightings)

15.6 Assessment Process

The Woorinyan assessment is completed by Woorinyan support staff. The support staff:

1. Measure baselines of full production
2. Assess/measure workers production against these baselines
3. Calculate the percentage rate and pay rate
4. Document, record and notify the wage outcome

Each Woorinyan enclave is required to have clear baselines for measuring productivity for work tasks that are used for productivity assessment purposes. Baselines are the minimum expected productivity of a worker at the full Award Rate (i.e. 100%). The baseline is the average of at least 3 observations and where possible, more than one person (non-disabled worker or support staff) is observed completing the task.

For example, the Fence Extension Kit task at one of the Woorinyan workplaces comprises the following components:

- Stick on label and information sheet
- Drill holes in lattice fix long C channel with tabs
- Fix other long C channel
- Cable tie short C channel pack to lattice
- Place in bag seal both ends

The Baseline Award productivity rate for this task is 9 units in 1 hour. A worker completing an average of 3 units per hour over 3 observations would be producing at 33% of the Baseline productivity rate.

In some cases, the baseline productivity rate may be set by a host company. Where this occurs, Woorinyan support staff verify that the prescribed baseline is achievable.

Supported workers receive training to gain competency before productivity assessment is conducted. In some enclaves, production data is continually collected for all workers. In other enclaves, the group may be advised that productivity data will be collected but individual workers are not specifically notified when their productivity is being assessed.

All worker productivity results are calculated from the average of at least 3 observations, ideally taken on different days but as a minimum observed at different sessions. Each worker is assessed on at least two different tasks.

When jobs change regularly, or there is no way to test productivity, an agreed simulation is developed for productivity assessment.

Productivity observations are recorded in support staff diaries and then transferred to assessment sheets which are then placed in workers' files.

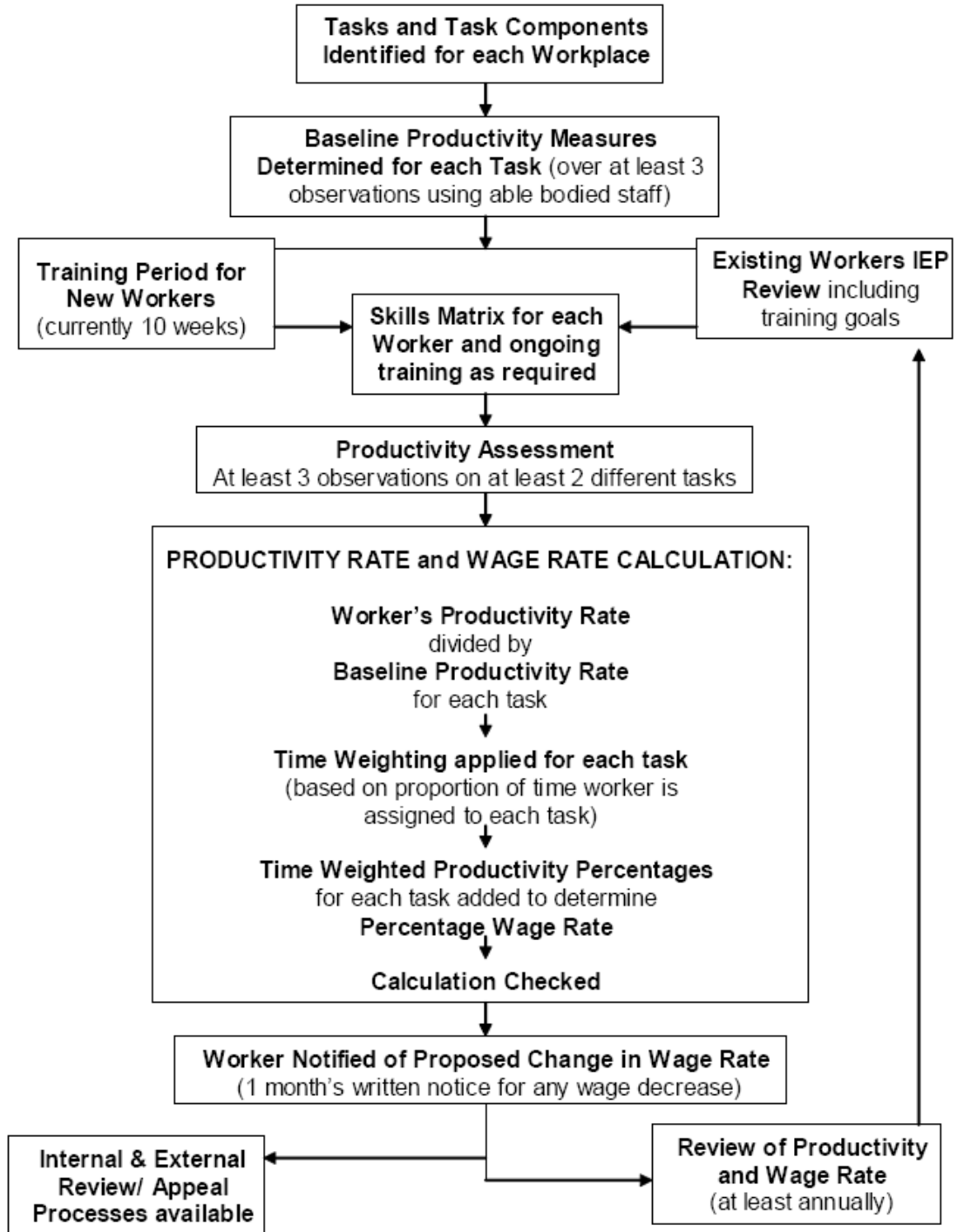
Productivity rates must be reviewed a minimum of once every 12 months. In practice, there is ongoing assessment and Woorinyan aims to update productivity data every 4 to 5 months.

Productivity rates and pay rates are documented as part of Individual Employment Plan (IEP) meetings and discussed with carers or advocates. Productivity and wage rates form a standard agenda item of the IEP and any changes throughout the year are discussed at the worker's IEP. There is also an IEP agenda item to ensure that the worker understands how their wage is calculated and how they could increase their wage.

Changes of productivity rate and wage rate are notified by completing an increase or decrease form.

A summary of the Woorinyan Wage Assessment Process appears in the following diagram:

Summary of Woorinyan Employment Support Service Wage Assessment Process



15.7 Scoring and Wage Calculation

Wage calculation occurs in the following steps:

1. Observations are transferred from support staff diary to the assessment sheet and averaged.
2. Percentage of productivity baseline is recorded for each task assessed for the worker.
3. Time weightings are applied. (Time weighting is the total amount of time worker spends on assessable task. In each assessment, the total time weighting must equal 1.)
4. Time weighted percentages for each task are added.
5. Calculation is checked by another support staff.

An example of time weighting calculation is as follows:

A worker spends 40% of his working time each week assigned to Task A with the remaining 60% assigned to Task B. In this worker's case, the time weighting for Task A is therefore 0.4 and the time weighting for Task B is 0.6. (Note that the total time weighting, i.e. A + B, equals 1)

If the worker's productivity for Task A is 20% of the baseline productivity rate (e.g. 2 units produced per hour when the baseline rate is 10 units per hour) and the worker's productivity for Task B is 50% of the baseline productivity rate, then the time weightings calculation is:

Task A: $20\% \times 0.4 = 8\%$ (time weighted productivity rate)

Task B: $50\% \times 0.6 = 30\%$ (time weighted productivity rate)

Total for this worker = 38% (time weighted productivity rate)

The productivity rating is always rounded down to the next pay level, i.e 43 becomes 40% and in our example above, 38% becomes 35%.

The minimum productivity payment is at 5% and the maximum is 100% with increments of 5% in between.

Increase in wage rate is notified using a Notification of Increase in Productivity Based Wage form.

If the result of productivity assessment is a decrease in wage rate, an Intention to Reduce Productivity Based Wage form is completed and the worker is notified. This gives the worker 1 month's notice of the intention to reduce the wage rate. During the next month, support staff confirm the worker's productivity and action with a Notification of Reduction of Productivity Based Wage form or a Cancel Intention to Reduce Wage form.

All new Woorinyan workers are currently paid a training rate (minimum \$4 per hour) for the first 10 weeks of employment. (Note that this training period will be changed to 13 weeks in the next Woorinyan Enterprise Agreement to match that of the BSWAT procedure.) After this training period, the worker's productivity is assessed and they are then paid according to their productivity rate.

15.8 Good Practice Guide to Wage Determination Criteria

15.8.1 Compliance with Relevant Legislation and Standards

Quality audits have identified improvements to the documentation of wage change notification and these recommendations have been addressed by Woorinyan.

The Woorinyan Enterprise Agreement has been certified by the AIRC and passed the 'no disadvantage' test.

15.8.2 Validity

Productivity assessment is based on observation of quantifiable production output. This mirrors the process of the Supported Wage System (SWS).

The main difference to the SWS is that the Woorinyan assessment process is completed internally by Woorinyan support staff rather than by external assessors.

This has an advantage of allowing for ongoing assessment rather than a single snapshot.

15.8.3 Reliability

Woorinyan considers that the objective nature of productivity assessment is more reliable and accurate than competency based assessment.

In most cases, two or three support staff complete productivity observations for a worker and a good level of consistency is apparent between these results. Support staff are also rotated through the various workplaces.

Comparison with the results of BSWAT assessments conducted during two BSWAT trials at Woorinyan showed a high level of agreement between the Woorinyan productivity assessment and the productivity component of the BSWAT, with the largest difference being 1% on any observation.

15.8.4 Wage Outcomes

Under the terms of the Woorinyan Incorporated Enterprise Agreement (2002), workers are paid a percentage of the minimum adult wage as determined by the Australian Industrial Relations Commission. The percentage rate is determined by the workers assessed productivity and quality performance of the task they are engaged upon.

Woorinyan considers that its productivity-based assessment provides a wage advantage of about 10% for workers when compared to wage outcomes from other tools such as the BSWAT. The current average wage rate at Woorinyan is \$6.55 per hour.

During the initial training period, new workers are paid a minimum rate of \$4 per hour.

15.8.5 Practical Application of the Tool

The process of productivity assessment is reported to be simple for staff. The ongoing nature of the assessment process means that the process becomes a normal part of the support staffs' regular work. Each staff member usually completes one productivity observation on one worker each day.

When training new staff, the only concept that can be difficult to grasp is the notion of time weighting. Fifty per cent of Woorinyan support staff are trained Workplace Assessors, and these staff have an existing understanding of assessment processes.

15.8.6 Administrative and Cost Implications

Initial set up requirements for the Woorinyan wage assessment process were completed some years ago. Any ongoing set up is associated with new workplaces or work tasks for which task components and productivity measures need to be defined; however, this is not considered to be onerous.

The Woorinyan wage assessment process is completed internally so there is no cost for external assessors. As the productivity assessment is built into daily work practice, there is minimal impact on staff workload. It is not practical to calculate a cost per assessment.

Woorinyan suggests that the organisation has tended to employ better qualified staff since introducing the wage assessment process and this has resulted in a slight increase in staff salary costs.

15.8.7 Industrial Relations

The Woorinyan productivity assessment process is incorporated in the Woorinyan Enterprise Agreement.

A Green Book defining employment criteria including productivity based wage assessment is provided to all workers.

Workers are invited to give feedback on drafts of the Enterprise Agreement. A worker representative is elected for each Woorinyan work enclave and these representatives then vote on acceptance of the agreement.

A Worker's Committee meets once per month to discuss any issues or concerns and a representative from this group is a member of the organisation's Committee of Management.

15.8.8 Links to Training

Productivity assessments and pay rates are included in each worker's Individual Employment Plan and training needs are identified in the IEP. IEP discussion points include competencies and work skills that the worker would like to improve over the next year and what the worker could do to improve their pay rate.

Each new worker undergoes 10 weeks of initial competency training and thereafter, ongoing competency training occurs as required.

Each worker has a skills matrix within their program. This matrix shows the task skills the worker requires and these are checked off as the worker achieves competency in each skill.

15.8.9 Process for Disputing/Appealing the Outcome

Productivity and pay rates and the assessment process may be reviewed internally on request and appealed externally (through a state-funded dispute settlement centre) if disputed and unresolved. To date, Woorinyan has experienced two disputed productivity assessments and both of these were resolved internally.

Summary of Ratings of the Woorinyan Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Woorinyan Wage Assessment Tool |
|---|--|
| Compliance with relevant legislation and standards | The Woorinyan Wage Assessment Tool is incorporated in an Enterprise Agreement that passed the 'no disadvantage test' and has been certified by the Australian Industrial Relations Commission. Quality Audits have certified that Woorinyan complies with all KPIs for Disability Services Standard 9. |
| Validity and Reliability | The tool is based on productivity assessment and uses observed and quantifiable production output data. Observation data is collected by more than one support staff for each worker. Good inter-observer consistency is reported by Woorinyan. Comparison with the results of BSWAT assessment showed a high level of agreement between the BSWAT productivity component and the Woorinyan tool results. |
| Wage Outcomes | The current average wage rate at Woorinyan is \$6.55 per hour. Woorinyan estimates an advantage of about 10% in wage outcomes when the Woorinyan tool is used rather than other tools such as the BSWAT. |
| Practical application of the tool | Productivity data is collected on an ongoing basis and is integrated into the normal work of support staff. |
| Administrative and cost implications | Workload and cost are not considered to be onerous. Set-up largely involves the establishment of productivity rates for any new work tasks. The assessment process is completed internally, so there is no cost for external assessors. |
| Industrial relations | The Woorinyan Wage Assessment Tool is incorporated in the Woorinyan Enterprise Agreement and workers and their representatives had input into the development of the agreement and drafts of the wage assessment tool. |
| Links to training | There is a linkage to training via the worker's Individual Employment Plan. Each new worker undergoes 10 weeks of competency training and ongoing training occurs as required guided by a skills matrix. This matrix shows the task skills a worker requires and these are checked off as the worker achieves each competency. |
| Process for disputing/appealing the outcome | There are internal and external options for appealing wage outcomes. |

Conclusion

The Woorinyan Wage Assessment Tool has been in use since 1998. The process is incorporated in an Enterprise Agreement certified by the Industrial Relations Commission. Woorinyan Employment Support Service has been quality certified as complying with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the Good Practice Guide to Wage Determination criteria.

Analysis against the Good Practice Guide to Wage Determination criteria suggests that the Woorinyan Wage Assessment Tool, when implemented as described in section 1 of this document, satisfies the good practice criteria.

Information Sources:

- Telephone Interview with Max Ward, Woorinyan Employment Support Service
- Written information provided by Woorinyan Employment Support Service, including
 - Principles of the Woorinyan Inc Productivity Assessment
 - Woorinyan Employment Support Service Industrial Relations – What does it mean to me? (The Green Book), 2005
 - Woorinyan Incorporated Enterprise Agreement, 2002
 - sample Productivity Wage Assessment forms for two work sites
 - notification forms for change in productivity-based wage
 - Standard 9 extracts of quality certification reports for 2003 and 2004
 - Woorinyan IEP form
 - sample Skills Matrix form

A Good Practice Guide to Wage Determination, Department of Family and Community Services (May 2001)

16. Description of the RVIB Enterprises Wage Assessment Tool

16.1 Owner/Developer of the Tool

RVIB Enterprises

16.2 Type of Tool

Hybrid (Productivity and Competency assessment)

16.3 Number of Business Services Using This Tool

One (RVIB Enterprises)

16.4 History and Development of the Tool

RVIB Enterprises developed an assessment and training manual 5 to 6 years ago. This was subsequently extended to include a wage assessment process in 2003, when the organisation underwent its first quality assurance audit against the Disability Service Standards.

RVIB considered the Greenacres, Skillsmaster and the BSWAT wage assessment tools but concluded that these were not appropriate for workers with vision impairment and associated disabilities. The amount of work required to implement some tools and the collection of assessment data over limited 'snapshot' time periods were also deterrents to adopting other tools.

With the help of a consultant, RVIB Enterprises developed a Productivity Assessment Sheet and productivity benchmarks as a basis for their own wage assessment process. There are now 34 productivity benchmarks that have been developed by measuring the productivity rates of able-bodied workers on identified production tasks.

The Assessment & Training Program (Wage Assessment Tool) was incorporated and ratified in RVIB's enterprise agreement in 2002 and has also passed quality assurance compliance requirements since 2002.

16.5 Content and Structure of the Tool

The RVIB Enterprises Wage Assessment Tool takes the form of an Assessment and Training Program which is documented in an Assessment and Training Manual. The manual includes:

- a Statement of Principles for wage assessment;
- a description of the mechanism/ procedure for assessment;
- a list of competency and productivity standards for each of the 8 wage levels; and
- samples of the forms used such as the Productivity Assessment Sheet, training forms and Individual Employment Plan (IEP) forms.

Competency and productivity requirements are documented for each of the 8 wage grades. For example, the requirements for Grade 1 are that the employee must be:

- able to pass a medical examination performed by an employer-nominated medical practitioner;
- able to attend their designated workplace and workstation;
- able with assistance, to manage their workplace attendance to accepted workplace standards;
- able to follow OH&S evacuation safety procedures;
- able to work under instruction with constant supervision;
- prepared to participate in the development of their IEPs, participate in their reviews and work to the strategy agreed within the IEP;
- prepared to attend meetings and forums as required;
- prepared to undertake training including basic Assessment and Training using machines, to improve their skills; and
- complete at least two Productivity Assessment tasks at the Level One rate and may from time to time require extra assistance with orientation and mobility, workplace interactions, development of work ethic and personal issues.

By Grade 7, the employee must be competent at all Grade 6 Assessment and Training Competencies, and:

- read and understand written instructions, provided in their preferred format;
- undertake training courses when required, including computer training;
- motivate fellow workers;
- be able to assist with production planning, work layout and preparation of documentation; and
- complete any seven Productivity Assessment tasks at Level 7 productivity rate.

Grade 8 equates to 100% productivity and the full award rate.

There are 34 Productivity Assessment tasks, each of which has its own Productivity Assessment Sheet. Each Productivity Assessment Sheet not only provides for recording the worker's production output for that particular task over multiple work sessions but also specifies the productivity rates for that task which equate to each of 8 pay levels.

For example, in the Productivity Assessment task of Multi Boring Playpen Side, 160 units of production per hour equates to 100% productivity and Level 8 (i.e. full award rate of pay), 37 units per hour (23% productivity rate) equates to Level 1 rate of pay, 47 units per hour (30% productivity rate) equates to Level 2 rate of pay, and so on. (The increments are historically based rather than set at say 5% or 10% steps).

The other key components of the Assessment and Training Manual are

- the Individual Training Record (comprising an Individual Work Progress Form, Individual Training Form and Individual Assessment and Recommendation Form); and
- the Individual Employment Plan (comprising the IEP Commencement Form and the IEP Review Form).

16.6 Assessment Process

The Wage Assessment process is overseen by an Assessment Panel comprising:

- the Assessment and Training Officer or designate;
- the Manager RVIB Enterprises or designate;
- the President of the Blind Workers Union of Victoria or designate;
- a qualified Supported Wage Assessor (optional); and/or
- a person (e.g. an advocate) nominated by the worker being assessed.

A register of alternative panel members is maintained.

The duties of the Assessment Panel are to:

- assess probationary workers;
- assess each permanent worker every 6 months;
- make recommendations to Management regarding workers' movement between grades and training plans; and
- compile reports on each Assessment Panel meeting.

The Assessment Panel must convene at least quarterly.

Assessment Data

Assessment data is collected for a six-monthly assessment coordinated by the Production Manager. The worker's productivity is recorded on Productivity Assessment Sheets. The whole week is assessed and tasks are changed regularly (e.g. every fortnight) so each worker may have productivity data for several tasks.

Workers have ready access to their own productivity assessment sheets.

The productivity data is entered on computer and information about work-related competencies is recorded by the worker's supervisor in daily file notes.

Assessment Panel Meetings

Prior to each Assessment Panel meeting, the Assessment and Training Officer:

- advises the worker and their supervisor of the date, time and place of the meeting, which records will be required and arranges an interpreter if necessary; and
- provides an Assessment and Recommendation form for each worker who will be assessed at that meeting.

The Assessment and Recommendation form records the dates of the current and previous assessments, the worker's department and supervisor's name, the assessment recommendation and the signatures of the Assessment Panel members, the worker and manager.

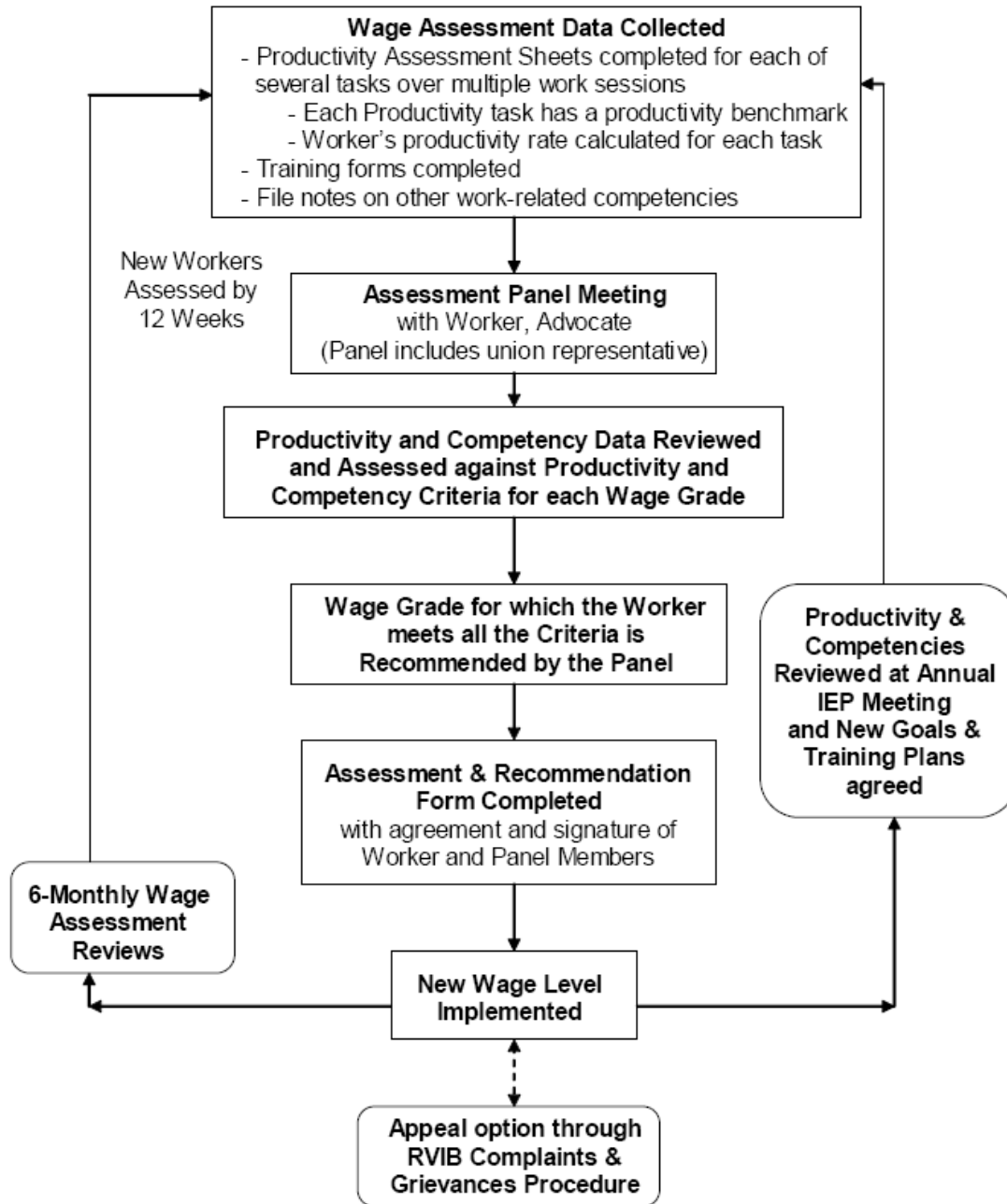
Productivity data, training records and competency data are considered in determining the appropriate wage level. In order to progress to a particular grade, a worker must fulfil all of the required competencies and productivity of that grade.

The wage assessment process is summarised in the diagram overleaf.

Productivity and competencies are also reviewed at the worker's annual IEP meeting. There is no provision for wage increase or decrease in between the 6 monthly reviews. Workers employed on or before 31/3/2000 cannot be moved down to a lower grade.

New workers start at a Level 3 Training rate of pay for the first 12 weeks. The productivity assessment process is the same as for long term workers. New workers need to achieve all Grade 1 competencies in order to become permanent employees. Most of the 40 RVIB Enterprises employees currently paid under this method are long term, with an average length of service of 14 years.

Summary of RVIB Enterprises Wage Assessment Process



16.7 Scoring and Wage Calculation

As described previously in Content and Structure of the Tool, the worker's productivity rates for multiple productivity assessment tasks are calculated using the Productivity Assessment Sheets for those tasks. These productivity levels and the worker's competencies are then assessed against the productivity and competency requirements for each of the 8 wage grades. The wage grade recommended for the worker is the highest grade at which the Assessment Panel determines the worker has achieved all the productivity and competency requirements.

16.8 Good Practice Guide to Wage Determination Criteria

16.8.1 Compliance with Relevant Legislation and Standards

A quality certification audit in 2003 and a surveillance audit in 2005 have concluded that the RVIB Enterprises wage assessment process complies with Disability Service Standard 9. Issues identified in the first audit were addressed prior to the end of that audit.

16.8.2 Validity

RVIB considers the wage assessment process to be a straightforward and objective measure of productivity and competency. Workers have ready access to their own productivity record sheets, making this component of the wage assessment process transparent and open to scrutiny.

16.8.3 Reliability

Data used for wage assessment purposes is obtained from more than one source, i.e. from productivity record sheets and file notes. Workers rotate through several tasks and supervisors, so the influence of any bias from an individual assessor is minimised.

The wage outcome is determined by a panel comprising at least three members, including qualified assessor(s).

16.8.4 Wage Outcomes

Wage outcomes are considered to be very high and it is estimated by RVIB that the wage outcomes are approximately double those of their competitors. For example, trainees earn \$199/week, the current minimum wage at RVIB Enterprises is \$344.60/week for a productivity level of 60%, and most employees earn \$382/week.

A certification audit conducted by SAI Global Assurance Services in 2003 found evidence of workers moving through the levels to award wages.

16.8.5 Practical Application of the Tool

The RVIB Enterprises wage assessment process is considered to be straightforward, with productivity record sheets completed by supervisory staff and entered on computer. Hard copy printouts are stored in the worker's file.

The wage assessment process has been designed to suit RVIB's situation and workforce which includes people who are blind, Deafblind and people who are blind and have intellectual disability.

16.8.6 Administrative and Cost Implications

The main requirement for setup of the wage assessment process is the productivity benchmarks. RVIB Enterprises estimates that the basic wage assessment process could be set up in another organisation in a day with the productivity benchmarks set afterwards as each job is included in the process.

The Productivity Record Sheet is a simple MS Excel spreadsheet.

All of the assessment process is completed internally and so there is no cost for external assessors.

RVIB is unable to estimate the amount of supervisor time involved in data collection and entry. Most of this work is incorporated as a part of normal day to day operations and productivity data is a usual requirement for business services.

16.8.7 Industrial Relations

The wage assessment process is incorporated in the RVIB Enterprises/Blind Workers Union Agreement certified by the Australian Industrial Relations Commission in 2002.

The Blind Workers Union has been involved with RVIB Enterprises for many years and a union representative is involved in every worker's six-monthly wage assessment, even if the worker is not a union member.

The enterprise agreement is renegotiated with the union every 3 years and RVIB considers that it has a good working relationship with the union.

16.8.8 Links to Training

All training for workers is documented. Workers have a training sheet for each new job/task that they commence. Training records are also referred to in the worker's 6-monthly wage assessment.

Workers can request training on particular machinery.

The IEP process also provides a link with training, asking if training outcomes have been achieved and referring back to the worker's training sheets.

16.8.9 Process for Disputing/Appealing the Outcome

The process for disputing or appealing a wage assessment outcome is through RVIB's Complaints and Grievances procedure. No such grievances have occurred to date.

Worker's are asked if they think their assessment is fair as part of the wage assessment process, providing an opportunity to discuss any concerns they may have.

The Assessment and Training Manual states:

"Any worker who has concerns about the outcome of their assessment will be encouraged and supported to have those concerns addressed via the standard industrial relations process, and on request will have all documents relevant to their assessment made available to them." (p.5)

Summary of Ratings of the RVIB Enterprises Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | RVIB Enterprises Wage Assessment Tool |
|---|---|
| Compliance with relevant legislation and standards | <p>The RVIB Enterprises Wage Assessment Tool has been incorporated in the organisation's enterprise agreement since 2002.</p> <p>Quality audits against the Disability Services Standards since 2003 have determined that the RVIB wage assessment process complies with the requirements of Disability Services Standard 9.</p> |
| Validity and Reliability | <p>Competency and productivity requirements for each of the wage grades are clearly documented and each Productivity Task has its own assessment sheet, including productivity rates that equate to each of the wage grades.</p> <p>Assessment data is obtained from more than one source and workers rotate through several tasks and supervisors.</p> <p>The process of assessing and determining a worker's wage grade is overseen by an Assessment Panel comprising at least three members, including a qualified assessor and a union representative.</p> <p>The productivity assessment data is objective and is accessible to the worker. Although some of the competency criteria are qualitative, the panel process provides for additional scrutiny and a consensus decision.</p> |
| Wage Outcomes | <p>Wage outcomes are considered to exceed those of other Business Services with most employees earning \$382/week.</p> <p>Quality certification audit found evidence of workers moving through the wage grades to Award wages.</p> |
| Practical application of the tool | <p>RVIB Enterprises considers the wage assessment process to be straightforward and well-suited to the organisation's workers and business operations.</p> |
| Administrative and cost implications | <p>The main requirement for set-up of this wage assessment process is the determination of productivity benchmarks for key work tasks. Once this is done, the collection of productivity data is part of the supervisors' day to day role. No estimate of supervisor time requirements is available.</p> <p>The assessment process is completed internally, so there is no cost for external assessors.</p> |
| Industrial relations | <p>The RVIB Enterprises Wage Assessment Tool is incorporated in the RVIB Enterprises/Blind Workers Union Agreement certified by the Australian Industrial Relations Commission in 2002.</p> <p>The Blind Workers Union has ongoing involvement and a union representative is involved in every worker's six-monthly wage assessment.</p> |

| | |
|--|---|
| Links to training | All training for workers is documented and training records are referred to in the worker's six-monthly wage assessment. The Individual Employment Plan process also provides a link with training. |
| Process for disputing/appealing the outcome | There is a Complaints and Grievances procedure which can be used for disputing or appealing a wage outcome. The wage assessment process includes feedback from the worker on whether they think the assessment is fair and there is an opportunity for them to discuss any concerns they may have. |

Conclusion

The RVIB Enterprises Wage Assessment Tool has been in use since 2002. RVIB Enterprises considered a range of wage assessment tools and designed its own wage assessment process to suit RVIB's situation and workforce.

The RVIB Enterprises wage assessment process is incorporated in an Enterprise Agreement certified by the Industrial Relations Commission. RVIB Enterprises has been quality certified as complying with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the Good Practice Guide to Wage Determination criteria.

Analysis against the Good Practice Guide to Wage Determination criteria suggests that the RVIB Enterprises Wage Assessment Tool, when implemented as described in section 1 of this document, satisfies the good practice criteria.

Information Sources:

- Telephone Interview with Geoff Crawford (Manager) and Norm Richards (Production Manager), RVIB Enterprises
- Written information provided by RVIB Enterprises, including - Assessment & Training Program Manual, RVIB Enterprises - RVIB Enterprises/ Blind Workers Union Agreement, 2002 - DSC Surveillance Audit Report, SAI Global Assurance Services, February 2005; and - DSC Certification Audit Report, SAI Global Assurance Services, February 2003
- A Good Practice Guide to Wage Determination, Department of Family and Community Services (May 2001)

17. Description of the Koomarri Competency Based Wages System

17.1 Owner/Developer of the Tool

Koomarri

17.2 Type of Tool

Competency-based

17.3 Number of Business Services Using This Tool

One (Koomarri)

17.4 History and Development of the Tool

Koomarri developed its wage assessment process as part of a workplace agreement that was certified in 2002. Koomarri staff and workers were involved in the development process.

The Koomarri tool was based on the Greenacres model with the following variations:

- the Koomarri tool has only 5 levels without the sub-levels that are present in the Greenacres tool; and
- the general competency and job-specific competency results are given equal weighting with the lowest result used for wage determination.

Koomarri staff visited Greenacres and Greenacres provided training in wage assessment for senior staff of Koomarri. Koomarri subsequently simplified the Greenacres model to create the Koomarri wage assessment tool which is known as the Koomarri Competency Based Wages System.

An external wage assessment trial using the BSWAT was conducted at Koomarri in 2004/ early 2005 and it was planned to analyse the results to validate the Koomarri wage assessment tool. Limited analysis was undertaken and in the meantime, the use of the Koomarri wage assessment process was suspended while the outcome of AIRC deliberations about wage assessment reforms is determined. The Koomarri wage assessment tool is therefore not currently in active use at Koomarri.

17.5 Content and Structure of the Tool

The Koomarri tool comprises two main components:

1. Competencies Assessment (of general work skills and behaviours); and
2. Job Description Assessment (of specific work task competencies)

1. Competencies Assessment

The Competencies Assessment comprises 52 items in 6 domains:

- Social & Behavioural;
- Cognitive Abilities;

- Vocational;
- Physical Abilities;
- Communication Abilities; and
- Special Assistance

Each item is assessed on a five-point rating scale:

- A- Requires **complete assistance** from this service
- B- Requires **a lot** of assistance from this service
- C- Requires a **moderate level** of assistance from this service
- D- Requires **some assistance** from this service
- E- **Does not require assistance** from this service

The assessment items, domains and rating scale are based on those of the Disability Maintenance Instrument used to determine FaCS case based funding levels for disability employment assistance.

The results of the Competencies Assessment are translated to 5 hourly wage rates:

- Grade A: if the worker has from 0 to 52 of the Competencies Assessment items rated as level A (on the five point scale shown above)
- Grade B: from 16 to 52 items rated as Level B
- Grade C: from 31 to 52 items rated as Level C
- Grade D: from 47 to 52 items rated as Level D
- Grade E: if the worker has all 52 items assessed as Level E

Koomarri reports that the wage grade criteria have been adjusted so that a worker will not meet the criteria for more than one wage grade.

Job Description Assessment

Every job on the worksite is broken down into tasks, each of which has a task analysis comprising the steps required to complete the task. For example, the task Complex Paper Collating has the following steps which are assessed using a Task Analysis form:

1. Goes to work station
2. Sets up work area
3. Gets own work
4. Takes 1 sheet from each pile
5. Places them in correct order on top of each other
6. Places them side to side in pile
7. Repeats steps 4 to 6
8. Can place next set of collated items on top of pile criss-cross from other set

9. Repeats steps 4 to 8 until completed
10. Recognises errors
11. Alerts supervisor to errors
12. Self monitors and requests more work when finished
13. Self monitors and refills own stocks when finished

Each Task Analysis form provides for six assessment observations of the worker for each step in the task. The assistance required by the worker for each step is scored on a 7 point scale:

- 0 = No assistance required
- 1 = Indirect verbal prompt/instruction
- 2 = Gestural prompt
- 3 = Direct verbal prompt/instruction
- 4 = Modelling prompt
- 5 = Minimal physical prompt
- 6 = Full physical prompt
- 7 = Failed trial
- N/A = Not applicable

To achieve a tick (i.e. a rating that the worker is competent) on each step, the worker must obtain a score of 0,1 or 2 on four out of six observations. Once the worker has achieved a competent rating for 80% of the steps in the task analysis, they are deemed to be capable of the task.

Each worksite has its own Job Description. For example, there are a total of 21 jobs and 108 tasks at one of the Koomarri worksites. The Job Description form collates the assessment information for all the production jobs and tasks. Once a worker has achieved competency in a task (as described in the paragraph above), the task is ticked as achieved on the Job Description form. Once competency is achieved for all of the tasks on a job, the job is ticked as achieved.

Twelve of the 21 jobs at the above Koomarri worksite are classified as Multiple Range Tasks and the worker is considered capable if they achieve competency in 80% of the tasks for these jobs. The other 9 jobs are Single Range Tasks for which the worker must achieve competency in 100% of the tasks.

The Job Description score is the total number of jobs in which the worker has achieved competency. In the case of the Koomarri worksite, there are a total of 21 jobs and so the maximum possible job description score for this worksite is 21. (Note that there was some uncertainty about the scoring process for the quality and quantity criteria in the Job Description assessment and this should be clarified.)

There is a Wage Grade Matrix for the Job Description score. At the Koomarri worksite, this matrix is as follows:

- Grade A: Worker has achieved competency in 1 to 7 jobs;
- Grade B: 8 to 14 jobs;
- Grade C: 15 to 18 jobs;
- Grade D: 19 to 22 jobs;
- Grade E: Worker has achieved competency in all 21 jobs.

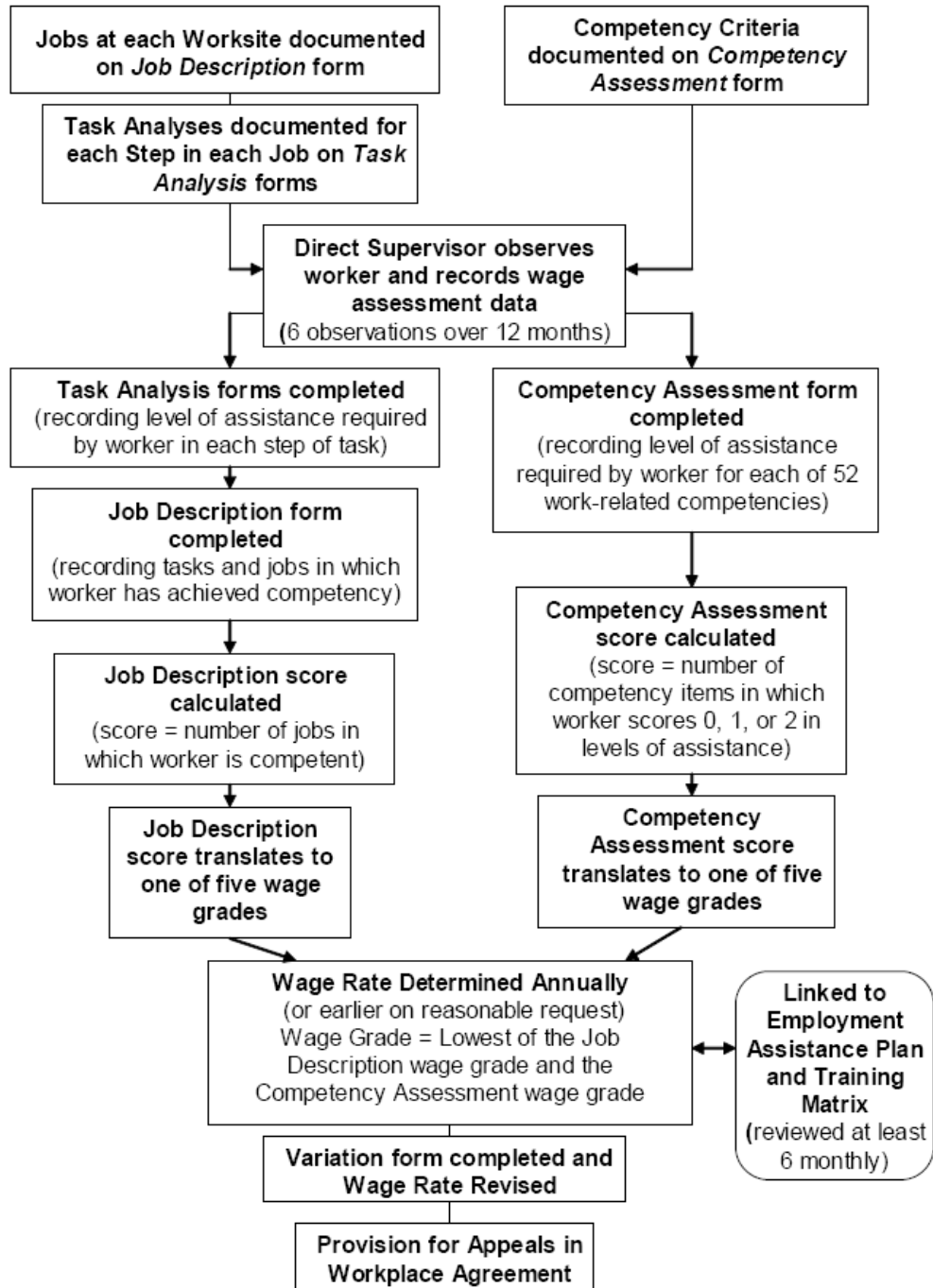
Each Grade has a corresponding hourly wage rate.

The Grade that determines the worker's wage outcome is the lower of the two grades, i.e. the lower of the Grade for Competencies Assessment and the Grade for Job Description Assessment. For example if a worker achieves Grade C for their Competencies Assessment and Grade B for their Job Description Assessment, they will be paid at the Grade B hourly rate of pay.

17.6 Assessment Process

The assessment process is summarised in the following diagram:

Summary of the Koomarri Wage Assessment Process



17.7 Scoring and Wage Calculation

There are two Wage Grades:

- Grade 1 is the Training & Support wage grade and has only one pay level; and
- Grade 2 is based on competency assessment and has 5 pay levels/grades (A, B, C, D and E).

The workplace agreement requires that workers who have been assessed at Grade 1 or up to 50% of Grade 2 shall be paid such percentage of the rate for the employee's grade as equals the skill level of the employee assessed in accordance with Koomarri Competency Based Wages System.

Workers assessed above 50% of Grade 2 and higher grades are independently assessed and paid according to the Supported Wages System.

17.8 Good Practice Guide to Wage Determination Criteria

17.8.1 Compliance with Relevant Legislation and Standards

Koomarri has been certified by Benchmark as complying with Standard 9 of the Disability Services Standards since May 2003 with two further re-certifications. It must be noted, however, that the most recent audit (in May 2005) reported that assessment under the Koomarri Competency Based Wage System had lapsed with no recent evidence of task/competency assessments or other related documentation in workers' files. The auditors recommended that the system be reinstated and continued until such time as a final decision is made to adopt an alternative wage assessment tool.

17.8.2 Validity

The Koomarri tool uses content that is adapted from the Greenacres wage assessment tool and the Disability Maintenance Instrument. More detailed comparative analysis with the outcomes of assessment using the BSWAT (as suggested by the quality auditors) and particularly the BSWAT competency assessment component, could assist in further validating the Koomarri tool.

17.8.3 Reliability

The Task Analysis and Job Description assessments provide a fairly objective measure of competency. The DMI definitions for each of the assistance levels do not appear on the Koomarri Competency Assessment form and this could potentially affect the reliability of assessment of the competency items (i.e. the definitions could be open to individual interpretation by assessors).

Assessments completed by the worker's direct supervisor are subsequently reviewed and signed off by the Outlet Supervisor – a process which should enhance reliability.

17.8.4 Wage Outcomes

The Wage Grades associated with the Koomarri Competency Based Wages System range from 23% of Grade 1 of the Graphic Arts General Award 2000 for

Koomarri Wage Grade A through to 50% of Grade 1 of the Award for Koomarri Wage Grade E.

Koomarri management considers that the wage outcomes achieved through the Koomarri Competency Based Wages System are higher than those that would be achieved using the BSWAT. A significant increase in wages was noted when the Koomarri wage tool was implemented.

Quality audit identified some uncertainty about the wage determination process amongst Koomarri's workers. At present there is no procedural manual for the wage assessment process or plain English guide for workers. Production of these documents could assist in making the process more transparent and easier to understand.

17.8.5 Practical Application of the Tool

Koomarri reports that its wage assessment tool is easy to use and is appropriate to Koomarri's situation. Each worksite has its own job and task analyses and so the assessments are very relevant to each worksite situation. The Multiple Range Tasks allow for competency ratings of 80% which provides flexibility where workers are not able to perform 100% of the job due to their disability.

The Koomarri tool assesses a wider range of work activities over a longer period of time than some other tools, such as the BSWAT. Koomarri management considers that this provides a better reflection of the true picture.

17.8.6 Administrative and Cost Implications

Koomarri reports that a lot of time was spent on the initial set up and task analyses for the wage assessment system and this would be a cost consideration for an organisation adopting the tool for the first time.

As the Koomarri wage assessment process is completed internally, there is no cost for external wage assessment. Koomarri management estimates that the staff time required to complete the Koomarri wage assessment is not much different from that required when a BSWAT assessment is undertaken.

17.8.7 Industrial Relations

The Koomarri Competency Based Wages System is incorporated in a workplace agreement between Koomarri and the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union. The agreement is known as the Koomarri Association Supported Employment (Business Enterprises) and AMWU certified Agreement 2001 and was certified by the Industrial Relations Commission in January 2002.

17.8.8 Links to Training

The workplace agreement specifies that if a placement is offered, the worker must undergo an Individual Service Plan/Individual Vocational Plan (now referred to by Koomarri as Employment Assistance Plans) within three to six months of commencement. This process is a consultative one, which involves the employee's

family and/or carer, the worker, allocated Branch Manager and other people who may be associated with the worker.

The workplace agreement requires that the Employment Assistance Plans be reviewed every three months for the first year and every four months thereafter. The Employment Assistance Plan process is repeated annually.

Vocational training as identified in the Employment Assistance Plan is required by the workplace agreement to be offered to all employees at worksites. Opportunities must be provided for job related training and training in other work related topics e.g. conflict resolution, decision making, rights and responsibilities, leadership, the Commonwealth Standards and the Complaints Procedure etc. All training programs must be designed and delivered by qualified staff.

17.8.9 Process for Disputing/Appealing the Outcome

Provision for appealing a wage outcome is specified in the workplace agreement.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Koomarri Competency Based Wages System |
|---|---|
| Compliance with relevant legislation and standards | Quality audits conducted after the initial implementation of the Koomarri Competency Based Wages System certified that Koomarri complied with Standard 9 of the Disability Services Standards. The most recent audit, however, notes that the wage assessment system has lapsed pending a decision on whether an alternative wage assessment system will need to be used. |
| Validity and Reliability | <p>The Koomarri tool is modeled on the Greenacres wage assessment tool and also uses some content from the Disability Maintenance Instrument. Inclusion of DMI definitions of assistance and comparative analysis of the outcomes of assessment with the BSWAT (collected during the BSWAT trial) could further assist in validating the Koomarri tool.</p> <p>The Task Analysis and Job Description assessments provide fairly objective measures of competency and review of assessments by the Outlet Supervisor should enhance reliability.</p> |
| Wage Outcomes | The Wage Grades associated with the Koomarri Wage Assessment System range from 23% to 50% of Grade 1 of the Graphic Arts General Award 2000. A significant increase in workers' wages was noted when the Koomarri tool was first implemented. |
| Practical application of the tool | Koomarri reports that its wage assessment tool is easy to use and is appropriate to Koomarri's situation. As each worksite has its own job and task analyses, the assessments are very relevant to each worksite situation. |
| Administrative and cost implications | <p>Initial setup of the wage assessment process, particularly development of task analyses, was time consuming. Koomarri management estimates that the staff time required to complete the Koomarri wage assessment is similar to that required for a BSWAT assessment.</p> <p>As the Koomarri wage assessment is completed internally, there is no cost for external assessors.</p> |
| Industrial relations | The Koomarri Competency Based Wages System is incorporated in a workplace agreement certified by the Industrial Relations Commission in 2002. |
| Links to training | <p>The workplace agreement specifies requirements for training, including Individual Vocation Plans/Employment Assistance Plans to be reviewed every four months and repeated annually.</p> <p>Opportunities for job-related and other work-related training must also be provided.</p> |
| Process for disputing/appealing the outcome | The workplace agreement includes provision for appealing a wage outcome. |

Conclusion

The Koomarri Competency Based Wages System was first implemented in 2002. The use of the wage assessment system has currently ceased pending a decision on which wage assessment tool(s) will be approved for use in business services.

Initial quality audits certified that Koomarri complied with Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the Good Practice Guide to Wage Determination criteria. The most recent quality audit (in May 2005) noted that the wage assessment system had lapsed and recommended reinstatement of the system until such time as a final decision is made to adopt an alternative wage assessment tool.

The quality audit also identified some uncertainty about the wage determination process amongst Koomarri's workers. The fact that the system is not in current use has probably contributed to this uncertainty. Production of a procedural manual for the wage assessment process and a plain English guide for workers could assist in making the process more transparent and easier to understand.

Analysis of this wage assessment tool has been limited to some extent by the lack of 'current use' evidence for the tool. Evaluation against the Good Practice Guide to Wage Determination criteria suggests that the Koomarri Competency Based Wages System, when implemented as described in section 1 of this report, would satisfy the good practice criteria, subject to the following conditions being met:

1. Reinstatement of the Koomarri Competency Based Wages System;
2. Refinements to the competency assessment forms, i.e. inclusion of DMI definitions for assistance levels on the Competency Assessment form, and clarification of the scoring process for the quality and quantity criteria in the Job Description assessment;
3. Production of a manual that documents the required procedures for the wage assessment process (in accordance with the process described in Section 1 of this report);
4. Production of a plain English guide to the wage assessment process for Koomarri workers and their families and advocates and provision of associated information sessions to explain the process to workers; and
5. Quality audit certification that the reinstated Koomarri Competency Based Wages System complies with Disability Services Standard 9.

Information Sources:

- Telephone Interview with Arnie Van Hinthum, Manager, Employment Services, Koomarri
- Written information provided by Koomarri , including - Task Analysis worker assessment form; - Job Description for Production Worker assessment form; - Criteria for Competencies form; - Koomarri Association Supported Employment (Business Enterprises) and AMWU Certified Agreement 2001; - Extracts from Quality Audit reports of May 2003 and May 2005.

18. Description of the Valmar Support Services Wages System

18.1 Owner/Developer of the Tool

Valmar Support Services Ltd

18.2 Type of Tool

Competency-based

Note:

The Valmar tool is competency-based and is used for wage assessment in the first tier of six wage levels. There is provision for productivity-based assessment using the Supported Wages System methodology and tool for workers who attain competency in all work tasks (i.e. Level 6 of the first tier). The Supported Wages System provides this second tier for the wage structure.

18.3 Number of Business Services Using This Tool

One (Valmar Support Services)

18.4 History and Development of the Tool

Valmar Support Services formalised its wage assessment system when the organisation entered into an enterprise agreement six years ago. Valmar had an existing in-house wage assessment process and also reviewed the systems of many other services. The current CEO of Valmar Support Services also studied wage assessment systems overseas through a Churchill Fellowship.

The Valmar wage assessment system was developed with competency steps up to a certain level (first tier) and use of the productivity-based Supported Wages System above that level (second tier).

Valmar wages were already linked with the Timber and Allied Industries Award and the new wage assessment system retained this link. The TAAIA Level 2 and Level 3 positions come with award-based indicative skill sets and Valmar has translated these into sub-sets of skills that relate to Valmar's work activities.

The Valmar Wages System was introduced 18 months before the organisation's first enterprise agreement. Yumaro adopted a similar approach and Valmar subsequently incorporated some of the Yumaro adaptations after the first 3 years of the enterprise agreement. Some further refinements to the wage assessment system will be made when Valmar's third enterprise agreement comes up for negotiation in 2006. The proposed changes will link the cycle of review of workers' positions with review of the enterprise agreement.

18.5 Content and Structure of the Tool

Two Tiers

The Valmar Wages System is structured into two tiers:

The first tier comprises six wage levels linked to percentages of the award with identified competencies that are documented in the organisation's Enterprise Agreement.

The second tier provides for productivity-based wage assessment using the methodology and tool of the Supported Wages System. The remainder of this description refers to the Valmar Wages System process that is used for the first tier.

Wage Assessment for the First Tier

The Valmar Enterprise Agreement summarises the duties and competencies expected of workers at each of the six first tier wage levels. For example, the requirements for workers at Level 1 for the Taskwrights worksite are as follows:

An employee at this level exercises minimal judgement, and performs a small range of simple tasks, using well-established techniques and practices either individually or in a team environment.

The duties of an employee at Level 1 shall include, but not be limited to the following:

- Sweeping
- Bagging grass
- General cleaning, including mill yard clean-up
- Weeding and basic gardening using hand tools
- Watering using hand held hose and moving sprinklers
- Any other activities for which the employee has been trained and are deemed necessary to complete a task at this level.

At Level 6, the requirements are:

An employee at this level performs a range of varied tasks above those of Level 5, using well-established practice and techniques either individually or in a team environment.

The duties of an employee at Level 6 shall include all those of a Level 1, Level 2, Level 3, Level 4, and Level 5. Additional duties at this level will include, but are not limited to the following:

- Use of a chain-saw (with certified training)
- Safe use of a trailer
- Basic record keeping/ paperwork, including basic computer skills
- Assisting in Job Training under supervision
- Independently identify and implement correct use of Safety Equipment and Safe Work Practices
- Simple routine repairs to equipment
- Any other activities for which the employee has been trained and are deemed necessary to complete a task at this level. (Schedule 1A (Taskwrights), Valmar Business Services Enterprise Agreement 2003-2006)

The forms and documents used for the Valmar Wages System include:

- Training Plans and Task Analyses
- Task Assessment forms;
- Monthly Client Report forms; and
- Employee Progression Quick Snap Shot.

Training Plans and Task Analyses

Valmar has documented Training Plans for each of the major work competencies. These Training Plans may include:

- Training program, modules and training methods;
- Competency based task analysis (comprising units and elements of competency, performance criteria and underlying skills, knowledge and attitudes/behaviours); and
- Evidence guides and performance criteria for underpinning knowledge and skills.

Where possible, award-based competencies are used.

The Training Plans are used to assist workers to achieve the competencies required for wage progression and also as part of the Employment Assistance Plan (EAP) process.

Task Assessment Forms

Task analyses break down each of the key work tasks into their component steps with the required competencies described for each step. Assessors use Task Assessment forms to record the worker's competency and support needs for each task.

For example, the Pre-Start Procedure for a Honda Self Propel Mower has the following steps and competency requirements:

1. Prepare to fuel mower - Checking performed away from ignition - Cap replaced securely
2. Fuels self propel mower - Fill with appropriate 4-stroke petrol as indicated in owner's manual - Tank is not overfilled - Spillages cleaned up
3. Checks and tops up oil reservoir - Operator is able to demonstrate (4-stroke models only) that oil should be between upper and lower marks on dipstick - Adds oil if required
4. Checks self propel mower for unsafe condition (guards, loose fittings, fuel lines, etc - Reports defective items immediately to supervisor for replacements or repair
5. Checks environment for unsafe conditions - Familiarises self with area to be mowed - Identifies and removes hazards

The Task Assessment form for Honda Self Propel Mower includes the task analyses for Pre Start Procedure (above), Start Up and Operation and House Keeping.

The Task Assessment form uses a 4-point assessment scale for all of the steps in the task analyses:

- 0 – Unable to complete task without direct assistance
- 1 – Completes task with some guidance
- 2 – Completes task with minor prompting
- 3 – Competent (without supervision)

The form provides for an initial assessment rating and then two further review assessments. At the end of the Task Assessment form, there is a declaration for the assessor to sign declaring whether the worker is competent or not competent (in this

case, in the operation of a Self Propel Mower). The worker also signs the form to agree “that this assessment was fair and according to the plant operational procedures and OH&S guidelines”.

Monthly Client Report Form

A Monthly Client Report form is completed by the Key Support Worker for each worker. This form rates five aspects of work performance:

- Work attendance history
- Participate as team player
- Wears the required PPE
- Workplace appearance
- Attitude towards work

A rating scale of Excellent/ Good/ Satisfactory/ Poor is used for these work aspects. The form also provides for written summary of any workplace behaviours or incidents.

The worker’s Support Needs for: their regular task; workplace training, EAP, etc; and for non-work task assistance (such as toilet, shops) are also rated on the Monthly Client Report form. The following rating scale is used:

- One to one support
- Regular support
- Ongoing support
- Minimal support

Employee Progression Quick Snap Shot

This is a diagrammatic summary showing the key duties for each wage band and the worker’s current competencies and training requirements. It provides a quick visual guide for the Workplace Trainer, Workplace Assessor and the worker to identify the next steps required for workplace training and competency assessment.

18.6 Assessment Process

A Task Assessment form is completed for each of the Key Tasks that a worker performs. (Once a worker has been assessed as competent in a task, if they are still performing that task and are competent, they are not reassessed.) The worker’s Key Support Worker completes a Monthly Client Report form.

At least once per year, a Valmar workplace assessor (with Certificate IV qualification) reviews the worker’s documentation, liaises with the key support staff and determines the worker’s wage level based on the worker’s task competencies and support requirements. The wage assessment is reviewed by the business service manager who is also a Supported Wage System assessor.

The wage assessment details and recommended wage level are recorded on a Wage Assessment Evaluation Sheet which is signed by the worker and their coordinator.

An Employment Assistance Plan (EAP) meeting is held with the worker, their parents (if desired by the worker), the Workplace Assessor, key support staff and a Client Support Officer if requested. The Client Support Officer is employed by Valmar Support Services but is not a staff member of the Business Service division of Valmar. The role of this CSO is to provide support and advocacy for the worker.

The wage review process is explained and incorporated in the EAP meeting. Any existing Training Plan for the worker is reviewed and revised/new Training Plans are documented and agreed. The worker's Employment Assistance Plan is also updated. A Wage Assessment Declaration form is completed. This is signed by the worker, the Workplace Assessor and the Chief Executive Officer and certifies that:

- the worker is competent in all of the duties at the assessed wage level;
- the worker is aware of the assessment outcome and agrees with the pay rate that it represents;
- the Workplace Assessor has explained to the worker how the assessed units of competency are aligned with the Enterprise Agreement banding levels and the pay rate that it represents; and
- the new wage rate per hour and the date that this will take effect.

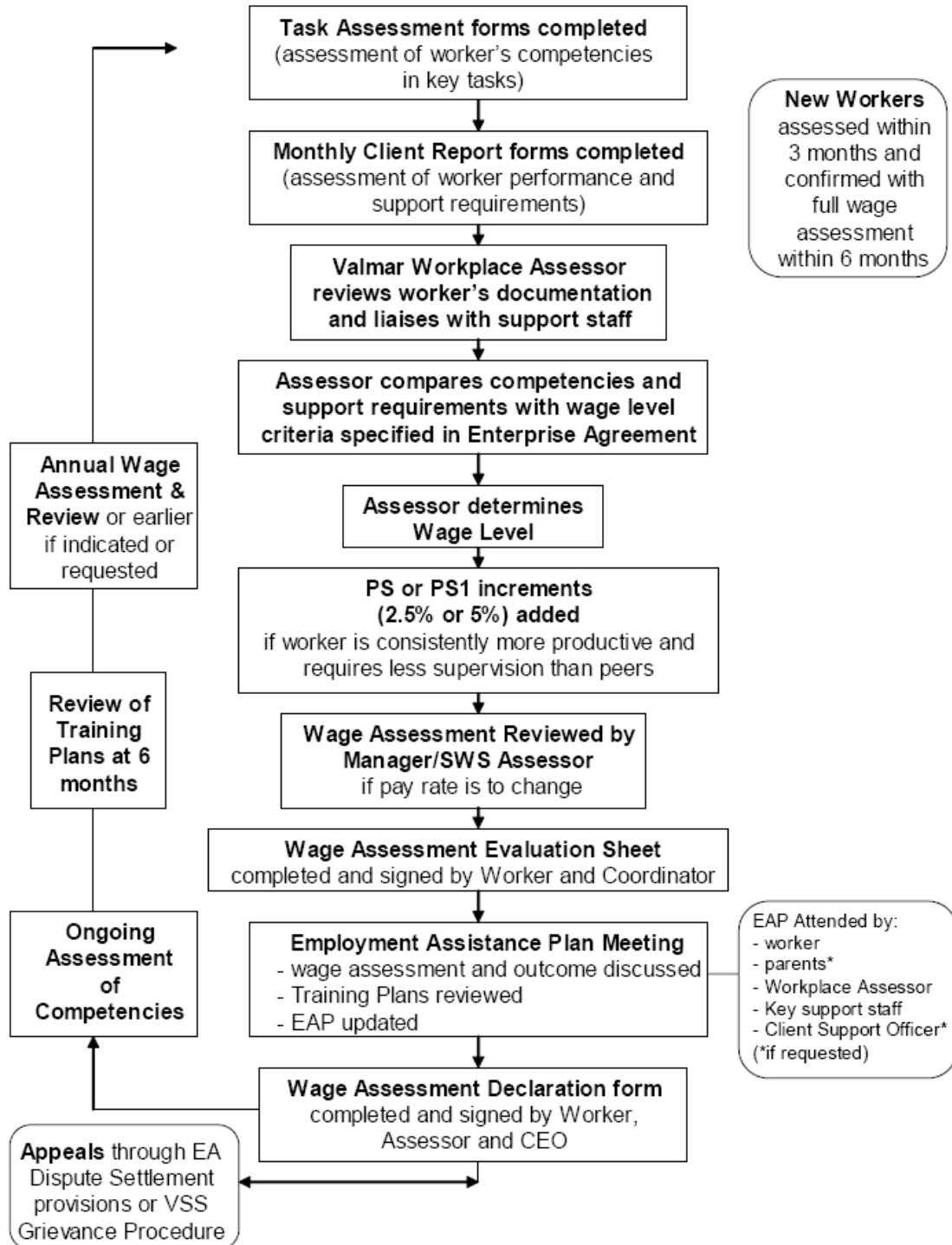
A further review of the worker's Training Plans occurs at the mid-year point (i.e. 6 months later). Support staff may also do ongoing competency assessments of the worker particularly if the worker is able to acquire new skills. A worker may also request earlier than annual wage assessment review if there are reasonable grounds.

New workers are employed on a trial basis of 3 months and paid at Level 2, Band 1 unless they have pre-existing competencies in which case they are paid an interim wage level. An initial assessment is carried out within a short period of the worker commencing at Valmar and always by 3 months. The worker's wage is confirmed within 6 months using a full wage assessment.

Once the worker is assessed as fully competent in their workplace (i.e. their wage level has reached Level 6) the worker is offered the opportunity of a productivity assessment based on the Supported Wages System methodology and assessment tool. The assessor for the Supported Wages System assessments must be a certified Supported Wages System Assessor.

The Valmar Wages System process is summarised in the following diagram:

Summary of Valmar Support Services Wages System



18.7 Scoring and Wage Calculation

The worker's wage level is determined by the Workplace Assessor on the basis of the Task Competencies and Support Requirements that the worker has demonstrated. There are two tiers of the Valmar Wages System. The first tier has 6 Valmar wage levels which start at 15% of the TAAIA Grade 2 and finish at 40% of the TAAIA Grade 3. Progression through these levels is competency-based.

There are an additional 2 increments of 2.5% (known as PS – Performance Step) and 5% (PS1) at each wage level which recognise workers who are consistently more productive and require less supervision than their peers. These increments are assessed on the basis of the past six months' support and production records. Once a worker has achieved the Valmar Wage Level 6 (i.e. 40% of TAAIA Grade 3), they enter the second tier of the Valmar Wages System and become eligible for a Supported Wages System Assessment. The worker will be paid at whichever assessed rate is higher (i.e. Valmar Level 6 plus 5% increment if appropriate, or the SWS outcome).

18.8 Good Practice Guide to Wage Determination Criteria

18.8.1 Compliance with Relevant Legislation and Standards

Valmar Support Services has been certified as complying with Disability Services Standard 9. The most recent quality assurance report (Benchmark Certification, July 2005) accorded Valmar a compliant rating for KPI 9.1 and commendable ratings for KPI 9.2 and KPI 9.3.

The Valmar Wages System is incorporated in an Enterprise Agreement certified by the Australian Industrial Relations Commission. A letter from the NSW Divisional Branch Secretary of the CFMEU FFPD Division, dated 13 May 2005, states that a visiting union official who examined the paperwork, procedures and assessment supporting the Valmar Wages System "was satisfied that the system was being implemented and applied by Valmar in line with the system as set out in the Valmar Business Services Agreement 2003-2006".

18.8.2 Validity

The sample Training Plans and Task Assessment forms reviewed for this analysis of the Valmar Wages System clearly document the competency requirements and assessment methods.

Valmar has a library of competencies that the support staff work to and Valmar management is confident that the system accurately assesses the competencies that it is meant to assess.

18.8.3 Reliability

Assessment data is collected by support staff over a period of time and another staff member (a Workplace Assessor) reviews this data and determines the wage level. Competency criteria for each wage level are documented in the Enterprise Agreement. All Valmar staff conducting wage assessments have Certificate IV

qualification in Workplace Assessment and Training. All wage assessments resulting in a change in wage levels are reviewed by a qualified Supported Wages System assessor.

No formal test of inter-rater reliability has been conducted; however, it is likely that the clear documentation of required task competencies and the review of assessment results by a second qualified assessor would enhance the reliability of the wage assessment. Definitions/ descriptions of the rating categories (i.e. the meanings and examples of Excellent, Good, Satisfactory and Poor ratings) are documented and this should further assist with transparency and consistency between assessors.

Valmar is currently developing a handbook for workers and staff that will describe the wage assessment system in more detail.

18.8.4 Wage Outcomes

The average wage for Valmar workers is over \$3 per hour plus superannuation. Valmar reports that the organisation has always been above the national average of hourly wage rates for Business Service workers.

Workers at Valmar receive a minimum 15% rate of pay. Valmar management suspects that if the BSWAT was used, some workers would be assessed at a level much less than this.

Four to five years ago, Valmar Support Services compared the wage outcomes achieved using the Valmar Wages System with the outcomes from Supported Wages System assessment. In this comparison, the most disabled of Valmar's workers achieved a higher wage outcome using the Valmar Wages System, while those who were the most productive achieved a higher wage outcome through the Supported Wages System assessment. In other words, workers with higher levels of disability (and probably lower productivity) are advantaged, rather than disadvantaged when the Valmar Wages System is used. As the more productive workers have the option of Supported Wages System assessment once they attain full competency, it would appear that this two tier approach may cater for both groups.

Workers have progressed through the Valmar Wages Systems wage levels and over the past 5 years, 8 workers have transitioned to the Supported Wages System and moved on to open employment.

The Benchmark Certification quality assurance audit report of July 2005 found that "continual improvements have been undertaken to ensure employees wage(s) are fair, and the wage level matches their competency and productivity levels . . . The sample files reviewed indicated that a wage assessment had been undertaken, and payroll records indicated consumers were receiving a different wage level that validates transparency."

18.8.5 Practical Application of the Tool

Valmar considers that its wage assessment process is sensible in its application and is less cumbersome than some of the other systems that are in use elsewhere.

The data that is used for wage assessment would be collected by Valmar in any case for the purposes of EAPs and Training Plans. The assessment observations and data collection are built into the day to day routine of support staff and workers.

The task competencies that are assessed are directly relevant to the work that is conducted by this business service.

18.8.6 Administrative and Cost Implications

As described in 1.7 above, there is little additional burden or workload that arises from the wage assessment process. The main cost associated with the system is the time of the Workplace Assessor but Valmar management considers that this is not a big impost.

No estimate has been made of the actual cost or time required for the wage assessment system.

The use of internal assessors is considered by Valmar to have the advantages of enabling assessment over a longer period of time and allowing for a more detailed assessment with greater sensitivity.

18.8.7 Industrial Relations

The Valmar Wages System is incorporated in an enterprise agreement. The union regularly visits the Valmar worksite and reviews the wage process and outcomes (as evidenced by correspondence from the union). The assessors who undertake the wage assessments are approved by the union.

18.8.8 Links to Training

The Valmar wage assessment process includes links to Training Plans via the EAP process. Training is linked to award-based and national competencies where appropriate. A 2003 quality assurance audit report (Benchmark Certification) notes the linkages between the wage assessment process and nationally recognised training/ competencies and the workers' individual training goals.

Valmar Support Services has a memorandum of understanding with the local TAFE college which allows Valmar to internally deliver accredited training for some traineeship elements.

18.8.9 Process for Disputing/Appealing the Outcome

Workers wishing to appeal a wage assessment or wage outcome can do so through the dispute settlement procedure set out in clause 16 of the Enterprise Agreement. Valmar Support Services also has its own standard grievance procedure. A quality audit report noted that "Valmar's formal complaints management systems are in place for employees to appeal against any wage assessment outcome" and that "the EAP process that includes the wage outcome enables consumers and support persons to discuss wage levels with the service". (Benchmark Certification, July 2005)

Reviews of wage levels and wage decisions are done on request and any data that supports the wage decision is provided to the worker on request.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Valmar Wages System |
|---|--|
| Compliance with relevant legislation and standards | <p>The Valmar Wages System is incorporated in an Enterprise Agreement that was certified by the Australian Industrial Relations Commission in 2001.</p> <p>Quality audits since that time have determined that the Valmar Wages System complies with the requirements of Disability Services Standard 9.</p> |
| Validity and Reliability | <p>The competence requirements, rating definitions and assessment methods of the Valmar Wages System are clearly documented. Assessment data is collected over a period of time and reviewed by a Workplace Assessor.</p> <p>All staff conducting wage assessments have Certificate IV level qualification in Assessment and Training and all wage assessments resulting in a change in wage levels are reviewed by a qualified Supported Wages System assessor.</p> |
| Wage Outcomes | <p>The average wage for Valmar workers is over \$3 per hour. A comparison with the wage outcomes that would result from Supported Wages System assessment showed that the most disabled of Valmar's workers would achieve a lower wage outcome using the SWS.</p> <p>Worker progression through the wage levels is evident and quality assurance audit has concluded that wages are fair and that wage levels match competency and productivity levels.</p> |
| Practical application of the tool | <p>Valmar management considers that its wage assessment system is less cumbersome than some other systems. Much of the data used for wage assessment purposes is required in any case for other purposes such as EAPs and Training Plans. Assessment observations and data collections are built into the normal day to day routine of support staff and workers.</p> |
| Administrative and cost implications | <p>Valmar management considers that there is little additional burden or cost arising from the wage assessment process. The main cost is the time of the Workplace Assessor but this is not considered to be a large impost.</p> |
| Industrial relations | <p>The Valmar Wages System is incorporated in an enterprise agreement and there is regular liaison with the union in respect of wage assessment and wage outcomes.</p> |
| Links to training | <p>The Valmar Wages System links to Training Plans via the EAP process. Training is linked to award-based and national competencies where appropriate.</p> |
| Process for disputing/appealing the outcome | <p>There is a dispute settlement procedure and a grievance procedure that workers can use if they wish to appeal a wage outcome. Reviews of wage levels and wage decisions are conducted on request.</p> |

Conclusion

The Valmar Wages System has been in use for three years and is incorporated in the Valmar Business Services Enterprise Agreement 2003-2006. The assessment process and criteria are clearly and thoroughly documented.

Quality audits have concluded that Valmar Support Services complies with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the Good Practice Guide to Wage Determination criteria.

Analysis against the Good Practice Guide to Wage Determination criteria suggests that the Valmar Wages System, when implemented as described in section 1 of this document, satisfies the good practice criteria.

Information Sources:

- Telephone Interview with Hugh Packard, CEO, Valmar Support Services
- Written information provided by Valmar Support Services, including - Valmar Business Services Enterprise Agreement 2003-2006; - Example Task Assessment form; - Example Monthly Client Report; - Example Employee Progression Quick Snap Shot; - Employees Work Notes form; - Wage Assessment Evaluation Sheet; - Wage Assessment Declaration form; - Example Training Plans; - Wage Rate schedules; - Extracts from Benchmark Certification quality audit reports July 2005 and July 2003; - Extract from Self Assessment report; - Extract from Business Review Final Report for Valmar Support Services Ltd, February 2004; and - Letter from CFMEU dated 13 May 2005 re site visit by union representative.

19. Description of the Sunnyfield Association Wage Assessment Tool

19.1 Owner/Developer of the Tool

The Sunnyfield Association

19.2 Type of Tool

Hybrid (Productivity and Competency assessment)

19.3 Number of Business Services Using This Tool

One (Sunnyfield Association)

19.4 History and Development of the Tool

Sunnyfield Association began the development of its wage assessment tool in order to comply with Disability Services Standard 9. Sunnyfield and a number of other business services researched wage assessment tools together initially and advice was provided by a specialist consultant. Wage assessment tools examined by the group included the Supported Wages System tool and the Greenacres tool.

Sunnyfield then worked with advice from the specialist consultant to develop the Sunnyfield Association Wage Assessment Tool. Sunnyfield endeavoured to keep the tool simple, with one wage increment at each level, and skills and wage levels determined on the basis of complexity of work tasks.

The Job Models for the wage assessment tool were developed through a process of consultation and assessment with all employees and reflected the range of tasks undertaken within the organisation.

The tool was incorporated in the organisation's enterprise agreement in 2001. The agreement provides for over Award payment for higher productivity. (Refer Content and Structure of the Tool section below)

Other than the flow on of Award wage increases, there have been no major changes to the wage assessment tool since 2001.

19.5 Content and Structure of the Tool

All employees are assessed against competencies that are documented in the Skills Matrix and Job Models attached to the organisation's certified agreement.

Three areas of work performance are assessed:

- Core Competencies/ Work Associated Competencies (general vocational skills/core skills required to maintain successful employment);
- Work/ Task Skills (specific work skills undertaken to directly complete a job); and
- Productivity (generally measured against levels of output achieved by peers undertaking similar tasks).

Each Job Model has specific identified skills (core skills and task skills) which an employee must have before they are eligible to be appointed to the Job Model level and paid as such.

Job Models are documented for:

- Headset Assembly;
- Kitchen Assistant;
- Administration Assistant;
- Packaging & Mailing;
- Woodwork; and
- Electronic Assembly.

For example, at Grade 1 for Packaging and Mailing, the worker is required to have the following Core Skills:

- Able to undertake the physical requirements of the job
- Comes to work clean and neat
- Communicates basic needs to supervisor
- Informs manager/supervisor when absent (or gets others to do so)
- Can follow one step tasks
- Observes safety requirements for the job e.g. no running, follows evacuation procedures
- Keeps work area tidy
- Does not take unscheduled breaks
- Works as part of a team
- Attends work punctually
- Behaves appropriately in the workplace

and the following Work Skills (performed to Minimum Productivity Level without 1 to 1 supervision):

- Packaging and Mailing: - Collate up to three items - Seal envelopes - Place label onto envelope - Place single item into carton

By Grade 8, the worker must have the following Core Skills:

- Understands product and service quality
- Assists with co-ordinating activities in work area
- Participates in Quality Meetings and planning meetings
- Assists supervisor to complete delivery and dispatch documents
- Assists supervisor to perform stock control, ordering of equipment, supplies, etc. with required literacy/ numeracy skills

and the following Work Skills (performed to Minimum Productivity Level without 1 to 1 supervision):

- Packaging and Mailing: - operates collating machine and seeks assistance if required

Not all Job Models have Work Skills defined for each wage grade. For example the Job Model of Headset Assembly has Work Skills specified for Wage Grades 1 to 4 only. However, there is provision for Leading Hand duties at Wage Grade 8.

An additional payment may also be made where workers have the competencies required at Grade 8 and/or are assessed as having a level of productivity that is significantly higher than their level of competency. Assessment for this additional payment occurs against predetermined criteria in a Competencies/ Productivity Assessment. The assessment criteria include:

- Overall Work Performance
- Productivity (Output)
- Level of Skill Obtained
- Adaptability
- Initiative
- Work Attendance
- Financial Considerations of the Organisation related to the Task/Function.

To date, no workers have attained this additional payment level.

19.6 Assessment Process

Assessment of workers commences from the start of a Work Assessment trial, prior to formal employment. Each worker undergoes a full competency assessment during the first three months of employment. Prior to this assessment, the worker is placed in the most appropriate transitional level pending the outcome of competency assessment.

Safe Operating Procedures and Task Analysis forms are used to assess and demonstrate a worker's competence. These forms break each work task down into its component steps. All competencies are signed off by support staff/supervisors who have Certificate IV qualification in Workplace Assessment and Training. Multiple trials can be done. The information from the Safe Operating Procedures and Task Analysis forms is used to inform the Productivity/ Competency Assessment.

A Productivity/ Competency Assessment form is completed for the worker prior to their career plan meeting. This form contains:

- A list of the Core Skills required for each Wage Grade (Levels 1 to 8);
- A list of the Work Skills required for each Job Model at each Wage Grade level;

- Summary table that documents: - whether all competencies and productivity requirements have been achieved for each Wage Grade (yes/no) - hours worked per fortnight - current hourly rate of pay - proposed hourly rate of pay - current fortnightly wage - proposed fortnightly wage - percentage of Award rate
- Signatures of the worker, and family member/advocate/carer

The Core Skills on the Productivity/ Competency Assessment form are rated on a 3-point scale:

- 0 = Unacceptable Performance/ Skills not present
- 1 = Inconsistent Performance/ Criteria not reached
- 2 = Performance meets criteria
- N/A = Not applicable/ not relevant
- N/O = Not observed

The Work Skills are assessed on two dimensions:

- Qualitative assessment of competency (yes/no rating)
- Productivity (Meets quantity criteria – yes/no)

The quantity criteria for the Productivity requirement are defined as percentage levels of the 100% productivity rate (i.e. full Award rate) and these percentage levels are linked to the wage grades where possible. For team-based or flow-line work tasks, the worker's general contribution to productivity is assessed.

A worker must meet both the competency and productivity requirements of a work skill to be deemed competent in that skill.

Workers' competencies and career plans are reviewed at annual Career Plan meetings. Sunnyfield has detailed documentation specifying the Career Plan process. Those invited to the Career Plan meeting may include the worker, the worker's parents, an advocate, house manager (if living in supported accommodation), carer and the worker's Sunnyfield case manager and supervisor.

The worker's Productivity/ Competency Assessment is discussed at the Career Plan meeting and the skills, competencies and proposed wage are reviewed by those present until consensus is reached. In the event that agreement cannot be reached, the matter is referred to the Training & Transition Manager for review.

After the meeting, a Career Plan Feedback form is provided to the worker's parent or advocate. This form asks about satisfaction with the Career Plan process and invites suggestions.

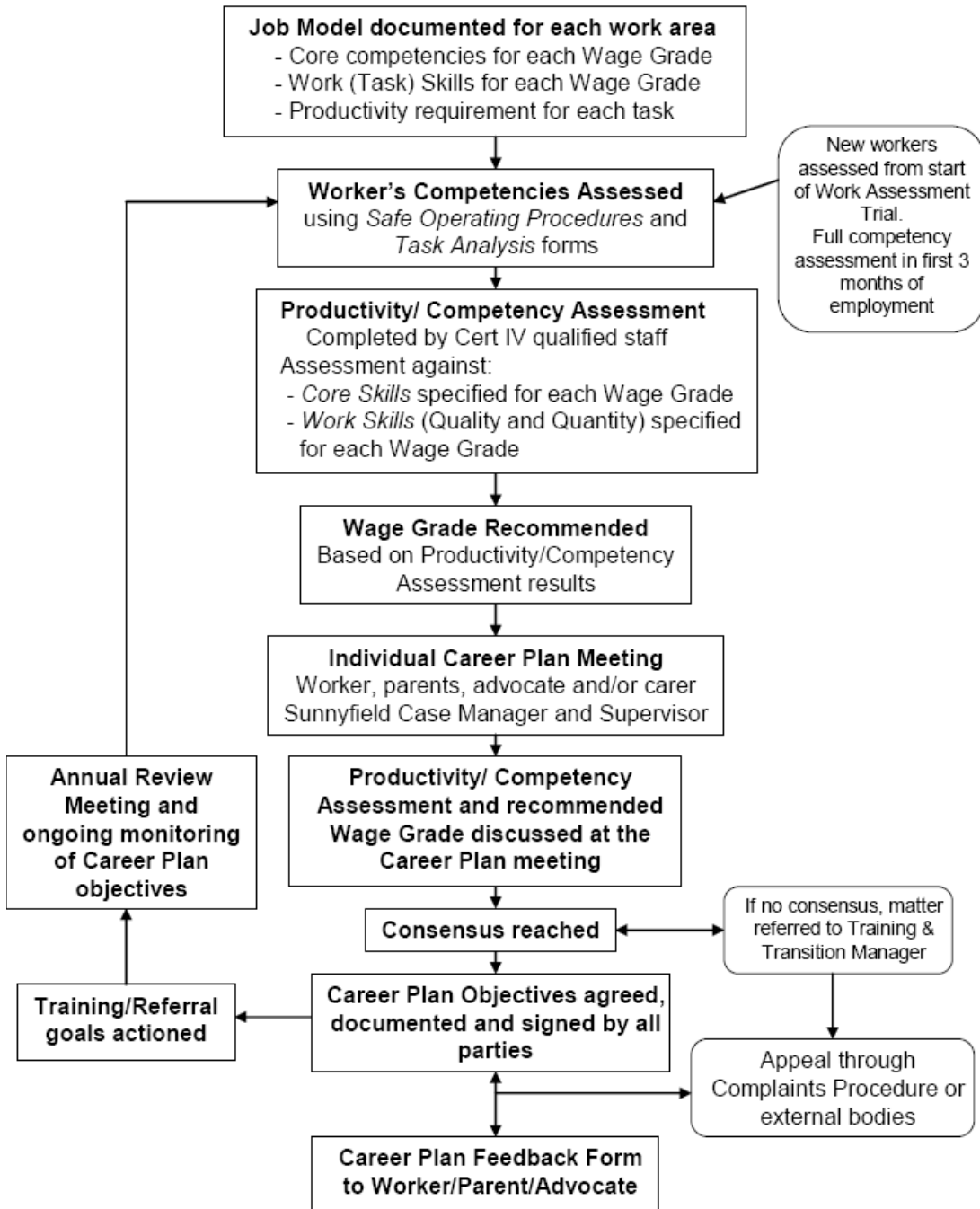
Career Plan Review Meetings are conducted annually. Additional reviews can be undertaken as needed or requested by the worker.

Workers can enter on any level of the Skills Matrix subject to wage assessment. They are required to remain on the level at which they entered for a minimum period of 3 months (or equivalent if they are working less than 37.5 hours a week).

Once a worker has all the requisite skills nominated in the Skills Matrix and Job Models at their current level and any other skills at a higher level, they can advance to that higher level (subject to the organisation's need to fill a position at a higher level).

The assessment process is summarised in the following diagram:

Summary of the Sunnyfield Association Wage Assessment Tool



19.7 Scoring and Wage Calculation

The organisation's certified agreement specifies 11 wage grades: the first 8 grades are determined on the basis of competency assessment (through the Skills Matrix and Job Models described above) and translate to 7% of the award at Grade 1, to 32% of the award at Grade 8. At Grade 9, the wage rate is negotiated with the Operations Manager and determined by competencies and productivity. Grade 10 wage rate is determined through the Supported Wages System and Grade 11 is the full Award wage.

The wage rates are expressed as a percentage of Grade 1 of the Australian Liquor, Hospitality and Miscellaneous Union Supported Employment (Business Enterprises Award) 2005.

19.8 Good Practice Guide to Wage Determination Criteria

19.8.1 Compliance with Relevant Legislation and Standards

Sunnyfield received a Commendable Compliance (rating 3) for Disability Services Standard 9 and KPI 9.1 in a 2002 Quality Certification Audit (DESQA Audit Report, NCS International, November 2002). The organisation has continued to be assessed as complying with Standard 9 in subsequent surveillance audits conducted in November 2003 and November 2004.

The Wage Assessment Tool is incorporated in a certified industrial agreement.

19.8.2 Validity

The Sunnyfield Association wage assessment tool has well-documented and clear criteria for skills and competencies at each wage level. The tool was developed with input from a consultant specialising in wage assessment.

Sunnyfield Association participated in a BSWAT trial. Comparing the BSWAT results to the Sunnyfield tool results showed that there was a fairly close representation of the rank order of worker's assessed wage rates. There were also some anomalies, with the BSWAT assessing some workers at higher rates than the Sunnyfield tool but assessing others as having close to zero productivity.

19.8.3 Reliability

All assessments are signed off by Certificate IV qualified assessors. At present, there are five qualified staff members completing the assessments. Although no formal inter-rater reliability testing has been done, the fact that each worker is assessed by a number of different assessors over time should reduce the impact of any variations in individual assessor interpretation.

19.8.4 Wage Outcomes

A Quality Audit report stated that:

"The Wage Tool is comprehensive and is based on workplace performance assessed task skills and associated competencies and productivity. Documented evidence of the implementation of the Wage Tool confirmed a fair and equitable process was in place. Consumers believed the wage assessment process was fair

and equitable.” (DESPA Audit Report, NCS International, November 2002 – Audit Findings for Standard 9).

Further findings relating to KPI 9.1 were: “The (wage assessment) process enables effective goals and career paths to be identified through a negotiated process. Consumers at the focus group advised that they believed the wage assessment process was fair and equitable.” (DESPA Audit Report, NCS International, November 2002 – KPI 9.1).

Sunnyfield management reports that wage costs increased by about \$130,000 per annum (for a workforce of around 210 workers) when the wage assessment tool was introduced. This was in large part due to the requirement to maintain workers’ wages.

Since the Sunnyfield wage assessment tool was introduced in 2001, 78 of 214 workers (i.e. 36%) have progressed to a higher wage level.

19.8.5 Practical Application of the Tool

Sunnyfield has designed the wage assessment tool to be appropriate to its work situation.

The wage assessment process is incorporated in the Career Plan process and also assists in meeting other organisational requirements such as complying with the Disability Services Standards.

19.8.6 Administrative and Cost Implications

Set up of the wage assessment process occurred in 2000/2001. Initially, the skills matrix, task skills and levels had to be specified and record forms designed. Minimal changes have been required since the system was first implemented.

Training and information was provided for workers and their families for about 2 months when the assessment process was introduced and this is ongoing. Assessment is done internally, so there is no cost associated with external assessment. Staff time required to complete the Productivity/ Competency Assessment is estimated to be from 1 to 1.5 hours per year per worker, with the Career Plan meeting requiring about 1 hour.

19.8.7 Industrial Relations

The Sunnyfield Wage Assessment Tool is incorporated in a certified agreement that operates in conjunction with the Australian Liquor, Hospitality & Miscellaneous Workers Union Supported Employment (Business Enterprises Award) 1993, or any award made in succession thereof. The certified agreement is known as The Sunnyfield Association (Business Services) Supported Employees Certified Agreement 2001.

Sunnyfield has a Workers Representative Committee which comprises elected representatives of employees with a disability from each section of the organisation. Sunnyfield Association has had no involvement from a union and there are no union

members at the worksites, although workers and families have been informed that they can join the union.

19.8.8 Links to Training

Skills development and training requirements are built into the organisation's certified agreement, as is Career Planning which is based on the Skills Matrix and Job Models

Task analyses and assessment information assist in the development of training plans and individual training objectives are agreed at each worker's Career Plan meeting. Task analyses and training sheets are documented for a range of operating procedures and work skills. Training responsibilities and processes are clearly specified for Sunnyfield staff.

19.8.9 Process for Disputing/Appealing the Outcome

The Career Plan meeting aims to achieve consensus among all parties present in respect of the assessed skills and competencies and the proposed wage for the worker. A specific question in the Career Plan process is: "Does everyone agree that the skills, competencies and wage level proposed are fair and reasonable?"

A Dispute or Grievance Resolution Procedure is documented in the organisation's certified agreement. Sunnyfield Association has a general Complaints procedure that worker's can use. Workers are also provided with information about outside agencies they can contact if they have a complaint. To date, no disputes/appeals regarding wage assessment outcomes have occurred under the current Sunnyfield wage assessment process.

The Workers' Committee and the Quality Committee discuss aspects of the wage assessment system from time to time and this is another avenue for workers to raise any concerns.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Sunnyfield Association Wage Assessment Tool |
|---|--|
| Compliance with relevant legislation and standards | <p>The Sunnyfield Association Wage Assessment Tool is incorporated in a certified industrial agreement.</p> <p>A quality certification audit in 2002 assigned Sunnyfield a Commendable Compliance rating for Disability Services Standard 9 and surveillance audits in 2003 and 2004 have confirmed that the organization continues to comply with Standard 9.</p> |
| Validity and Reliability | <p>The skills and competencies criteria at each wage level and the process of assessment are well-documented and clear. Five qualified staff complete the wage assessments and workers are assessed by a number of different assessors over time.</p> <p>The wage assessment and resultant wage grade are discussed and confirmed by consensus at the worker's individual Career Plan meeting, adding to the transparency of the process.</p> |
| Wage Outcomes | <p>Quality audits have found that workers believe the wage assessment process is fair and equitable.</p> <p>Sunnyfield's wage costs increased by an average of around \$600/worker per year when the wage assessment tool was introduced.</p> <p>Over one third (36%) of Sunnyfield workers have progressed to a higher wage level since the wage assessment process was introduced in 2001.</p> |
| Practical application of the tool | <p>The Sunnyfield Association Wage Assessment Tool is incorporated into key processes of the organization, for example, the Career Planning, training and quality management processes. The tool is comprehensive and has been designed to meet the needs of the organization and its workers.</p> |
| Administrative and cost implications | <p>Set-up requirements included the design of the skills matrix, task skills and levels, and the documentation of the assessment process. Training and information for staff, workers and their families was a required prior to implementation and is ongoing.</p> <p>There are no external costs as the wage assessments are conducted internally. Staff time required for Productivity/ Competency Assessment is estimated to be from 1 to 1.5 hours per worker per year.</p> |
| Industrial relations | <p>The Sunnyfield Association Wage Assessment Tool is incorporated in a certified agreement known as <i>The Sunnyfield Association (Business Services) Supported Employees Certified Agreement 2001</i>.</p> |

| | |
|--|---|
| Links to training | Training requirements and procedures are well-documented and are linked to the wage assessment and Career Planning processes. |
| Process for disputing/appealing the outcome | A consensus approach is used in Career Plan meeting discussions of the worker's assessment results and wage outcome. Workers can dispute or appeal a wage outcome through the organisation's Complaints procedure or through outside agencies. Concerns regarding the wage assessment system can also be raised through the Worker's Committee and/or the Quality Committee. |

Conclusion

The Sunnyfield Association Wage Assessment Tool was designed for the organization with assistance from a specialist consultant and introduced in 2001. The tool has been incorporated in a certified industrial agreement.

Quality audits in 2002, 2003 and 2004 have confirmed that Sunnyfield complies with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the Good Practice Guide to Wage Determination criteria. Indeed, the initial quality certification report of 2002 gave a Commendable Compliance rating in respect of Standard 9.

Analysis against the Good Practice Guide to Wage Determination criteria suggests that the Sunnyfield Association Wage Assessment Tool, when implemented as described in section 1 of this document, satisfies the good practice criteria.

Information Sources:

- Telephone Interview with Linda Smith, Training Team Leader, Sunnyfield Association
- Written information provided by Sunnyfield Association and Australian Business Lawyers, including - The Sunnyfield Association (Business Services) Supported Employees Certified Agreement 2001; - the Competency-Based Wage System (included as Schedule A to the Agreement; - the Sunnyfield Business Services Industrial Agreement (Schedule B to the Agreement); - Competency/ Productivity Assessment (Schedule C to the Agreement); - Sunnyfield Business Services – Industrial Agreement (Schedule A to the Agreement); - the Wage Matrix; - DESQA Audit Report findings relating to Standard 9 for 2002, 2003 and 2004; - Letter of Acceptance, Job Description and Job Contract; - Procedure Statement relating to Standard 9; - Career Plan Work Instruction and associated documentation; - Training Documentation Work Instruction; - Examples of Safe Operating Procedures and Task Analysis forms.

20. Description of the New Horizons Wage Assessment Tool

20.1 Owner/Developer of the Tool

New Horizons Enterprises Ltd

20.2 Type of Tool

Hybrid (Competency and Productivity-based)

20.3 Number of Business Services Using This Tool

One (New Horizons)

20.4 History and Development of the Tool

New Horizons initially looked to the Greenacres model of wage assessment and one senior staff member undertook Greenacres training. New Horizons had some concerns about the Greenacres model, for example the time weighting component, where it was felt that job allocation rather than skills could influence wage outcome. New Horizons staff also considered that the Greenacres tool was too expensive and time consuming.

New Horizons therefore developed its own hybrid tool for wage assessment. Forms were condensed into one skills matrix. A working party which included worker representation was formed and the wage assessment tool was trialled and adjusted as required.

The New Horizons Wage Assessment Tool was incorporated in the organisation's Certified Agreement in 2001.

20.5 Content and Structure of the Tool

The New Horizons Wage Assessment Tool has 3 main components:

- Task Skills (specific skills undertaken to directly complete a job)
- Work Associated Competencies (general vocational skills necessary to maintain successful employment)
- Productivity (measured against levels of outputs generated by non-disabled staff)

A Skills Matrix (attached to the organisation's certified agreement) specifies the Work Associated Competencies and associated criteria, and the Task Skills that apply to each of the Wage Levels A to F.

For example, the requirements for Wage Level A are:

Work Associated Competencies

- Attitude to Work:
 - *Attends work each day or notifies reason for absence*
 - *Appears in work area on time*
 - *Behaves in an appropriate manner for work*
- Co-Worker Relations:
 - *Works cooperatively with others*

- Follows Instructions:
 - *Accepts supervisor/ trainer as authority on the job*
- Dress and Hygiene
 - *Dresses appropriately for work and is clean and tidy*
- Independent Work Practice
 - *Works without unnecessary breaks*
 - *Tolerates stresses on the job e.g. noise, dirt, job pressure*
- Communication
 - *Expresses own needs adequately to relevant staff*
- Occupational Health and Safety
 - *Attempts to learn basic safety rules*
- Task Independence – Independent Work Practice (A)
 - *Works consistently with supervisor present*
 - *Makes basic decisions regarding own work*
 - *Does not distract others*
 - *Remembers instructions 10 minutes after they are given*
- Working Consistently (A)
 - *Requests more work as task is completed*
- Flexibility (A)
 - *Adapts to change, i.e. moves to new task*
- Quality Control (A)
 - *Can check work and recognise errors*
- Occupational Health and Safety (A)
 - *Follows basic safety procedures*
- Workstation (A)
 - *Maintains a clean and tidy workstation*
- Teamwork (A)
 - *Demonstrates positive interaction with co-workers*

Task Skills

- *Basic hand/eye coordination, e.g. can hold one item and complete task with remaining hand*
- *Elementary level of dexterity, i.e. holds items firmly or gently as required*
- *Basic gross motor skills, e.g. basic assembly of units*
- *Placement of items/objects into bags, containers etc., e.g. envelopes*
- *Basic assembly (with/without sample or jig)*
- *Counting to 10 (with/without use of jig)*
- *Use of basic tools (if automated a jig/template would be in place)*
- *Recognises concepts such as on/off, front/back, top/bottom, basic colours*
- *Basic machinery operation, e.g. electric scales (with/without use of a jig/template)*

- *Organises a limited number of items (2-3) into sequential order, e.g. collating 3 or less items.*

By Wage Level E, the requirements are:

Work Associated Competencies

- Competencies required for Wage Levels A, B, C and D plus:
- Independent Work Practice (E)
- *Shows initiative concerning work station or work section and makes decisions*
- Working Consistently (E)
- *Same as Module D*
- Flexibility (E)
- *Takes independent action to meet urgent requirements of production unit*
- Quality Control (E)
- *Checks work completed by co-workers and corrects where necessary*
- O H & S (E)
- *Identifies potential malfunctions in machinery/ tools and notifies relevant staff*
- Workstation (E)
- *Completes basic documentation for production unit*
- Teamwork (E)
- *Understanding of workplace schedules and encourages co-workers to meet production demands*

Task Skills

- *Performs defined routine maintenance*
- *Stores assistant*
- *Repairs some machinery in assigned production unit*
- *Able to use Electric Fork*

At Wage Level F, the worker is expected to meet all of the requirements to be employed under normal Award conditions.

Task Analysis forms are also used for each job and the assistance required by the worker to complete each task component is recorded on a number of trials. An 8-point scale is used:

- 0 = No Assistance/ Fully Independent
- 1 = Indirect Verbal Prompt/ Instruction
- 2 = Gestural Prompt
- 3 = Direct Verbal Prompt/ Instruction
- 4 = Modelling Prompt
- 5 = Minimal Physical Prompt
- 6 = Full Physical Prompt

- 7 = Failed Trial

The task analyses are used prior to productivity assessment (so that the worker can develop the skills to perform the work tasks productively) and the task analyses link to worker training programs.

A Productivity Assessment Tool is used to record the time taken by the worker to complete a minimum of three specified work tasks. Each of these tasks is performed and timed twice and the average of the two trials is used. The worker's productivity percentage is then calculated by dividing the total of comparator productivity times by the total of the worker's times. (The comparator productivity times are determined by timing two non-disabled people completing the specified work tasks.)

20.6 Assessment Process

Supervisors and productivity personnel conduct an assessment of competency for each worker's annual IPP.

Each worker is assessed against the competencies (skills) contained in the Skills Matrix. The assessor records whether the worker has demonstrated each of the Task Skills and Work Competencies criteria for the relevant Wage Levels. The assessment results are recorded on the Skills Matrix. The results are discussed at the workers' IPP meeting and the IPP is signed by the assessor, the worker and appropriate significant others (e.g. parents or advocate).

For new workers, assessment is conducted during the first three months of employment agreement. Prior to the assessment, the worker is placed on a minimum 15% of the Award wage.

Each worker's competencies are reviewed annually by the Vocational Counsellor and Production Supervisor. The Vocational Counsellor is a non-supervisory staff member who reports to Human Resource Management at New Horizons (not the Business Service). The Vocational Counsellor has Certificate IV and degree qualifications and also manages worker performance appraisals, IPP meetings, helps workers to conduct meetings and provides advocacy for workers as required.

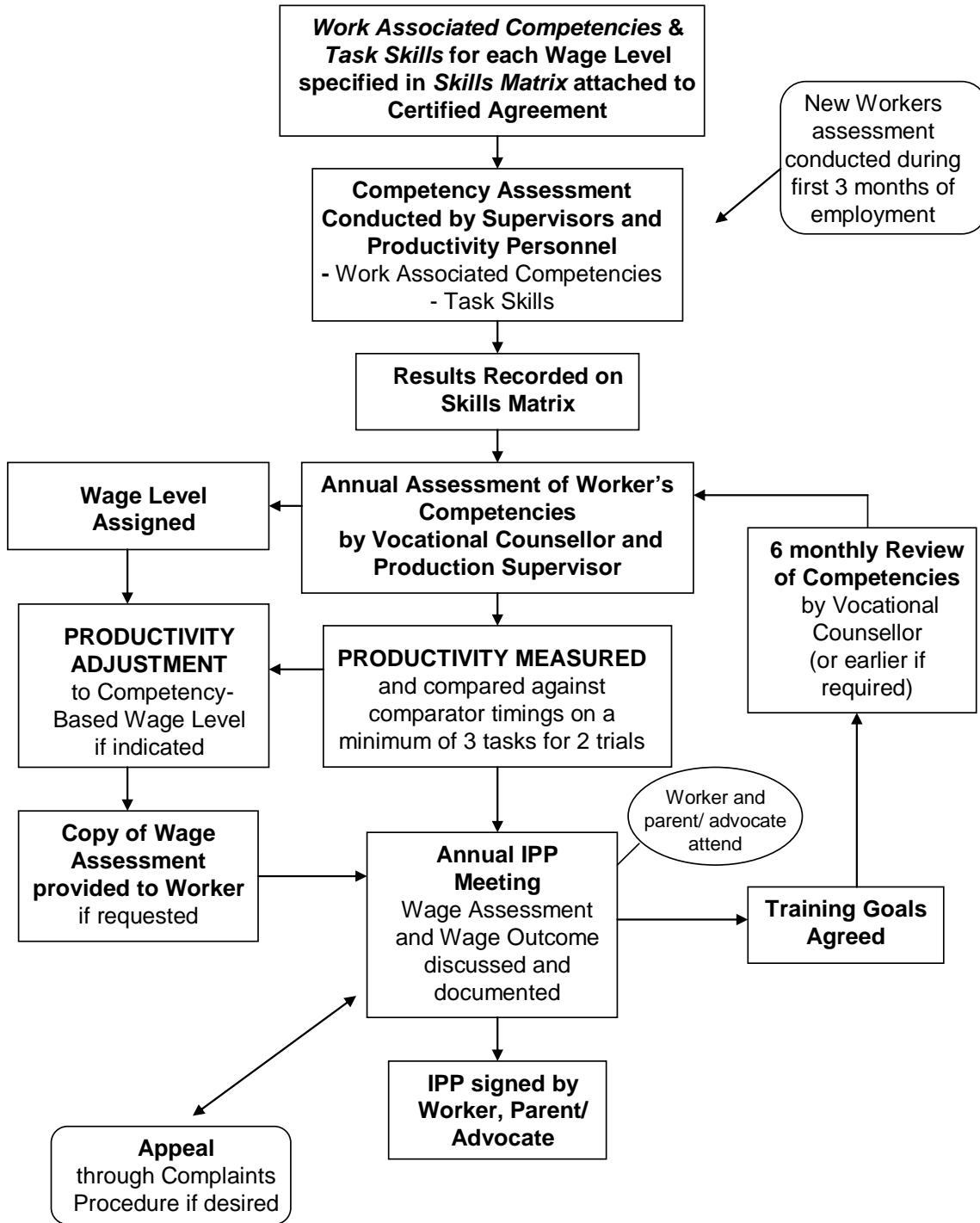
Reviews may also occur where a continued increase or continued decline in productivity is observed.

Workers' productivity is also measured (productivity timings are recorded by two non-factory staff) and a productivity adjustment is made to the wage level that has been calculated using the Skills Matrix competency assessment (see below).

The Wage Assessment process is linked to the IPP process with the wage assessment outcome discussed and documented at the worker's IPP meeting. A copy of the Wage Assessment is provided to the worker and their parent/ carer/ guardian on request.

A summary of the wage assessment process appears in the following diagram.

Summary of the New Horizons Wage Assessment Process



20.7 Scoring and Wage Calculation

There are 7 wage levels linked to the Australian Liquor, Hospitality & Miscellaneous Workers Union Supported Employment (Business Enterprises) Award 1993:

- Training & Support (7.5% of the Award wage)
- Wage Bands A to E (15.0% to 80% of the Award)
- Wage Band F which is 100% of the Award

Wage Bands A to E have 2 levels: Entry and Advanced. A worker is paid at Entry level when he/she achieves 50% of the requirements for the wage band. Once the worker has achieved 100% of the requirements they are paid at the Advanced level.

For example, the Entry Level for Wage Band A is 15.0% of the Award wage and Advanced Level for Wage Band A is 17.0% of the Award wage.

The percentage rates of the Award that have been determined for each of the New Horizons wage levels (A to E) represent the average productivity levels generated by employees with a disability working at each of the respective skills levels.

Once the worker's wage level has been calculated using the Skills Matrix, a productivity adjustment is made. This is determined by comparing the worker's productivity with the average productivity achieved by two people without a disability on at least three designated tasks as follows:

- Workers whose productivity is 81% or more of the comparator productivity measure receive an increase in wage level of 10%;
- Worker whose productivity is between 21% and 80% have no adjustment to their competency determined wage level; and
- Workers whose productivity is 20% or less receive a decrease in wage level of 10%. (Existing employees as at 1 July 2004 are protected from any wage decrease).

The New Horizons Wage Assessment Tool is used until an employee progresses to full Award wages.

20.8 Good Practice Guide to Wage Determination Criteria

1.8.1 Compliance with Relevant Legislation and Standards

New Horizons has been certified as complying with Disability Services Standard 9 (*Quality Assurance Post Certification Report*, Benchmark Certification, April 2005).

The New Horizons Wage Assessment Tool is incorporated in an agreement certified by the Australian Industrial Relations Commission (New Horizons Enterprises Limited (Supported Employees) Certified Agreement 2001).

20.8.2 Validity

The New Horizons wage assessment tool is based on the Greenacres wage assessment model with a number of modifications.

The New Horizons tool was trialled prior to full implementation with input from a working party which included worker representation.

A quality audit report has described the assessment process as transparent. (Benchmark Certification, April 2005) Competency criteria for the wage assessment are clearly documented and the productivity assessment process is objective.

20.8.3 Reliability

The Vocational Counsellor conducts all of the wage assessments in conjunction with the supervisor, so inter-rater reliability is not an issue at this point. The Vocational Counsellor reports to a manager outside of the Business Service management structure, with the aim of ensuring an objective and consistent assessment process.

Competency assessment data is sourced from evidence from supervisors and productivity personnel. The Vocational Counsellor's role in conducting the wage assessments therefore provides a review for this data.

The productivity measurements are undertaken by non-production staff (i.e. these staff do not report to the management of the Business Service) with the aim of adding independence to the productivity assessment component.

20.8.4 Wage Outcomes

No workers have had a wage decrease under this wage assessment system. Fifteen workers have had wage increases using the New Horizons wage assessment tool.

The most recent quality audit report notes that: "Wages continue to be calculated in relation to a relevant award" and "a formalised wage assessment tool continues to be implemented". (*Quality Assurance Post Certification Report*, Benchmark Certification, April 2005).

20.8.5 Practical Application of the Tool

The New Horizons Wage Assessment Tool was designed to suit this business service's situation. New Horizons personnel report that the system is easy to use and is as objective as possible. The assessors and workers understand the wage assessment process well.

20.8.6 Administrative and Cost Implications

Set-up requirements for this wage assessment tool have been completed and the system is now well-established.

It is difficult to estimate the time required for each worker's competency assessment as the Vocational Counsellor's time is spread across a number of areas, not just wage assessments. Productivity testing probably takes around 40 minutes per worker per year.

New Horizons management considers that the administrative and cost implications of the wage assessment process are reasonable and costs have been absorbed over the years.

20.8.7 Industrial Relations

The New Horizons Wage Assessment Tool is incorporated in a Certified Agreement: the *New Horizons Enterprises Limited (Supported Employees) Certified Agreement 2001*.

New Horizons conducts any major industrial negotiations through ACROD.

A Worker's Committee (with elected worker representatives) meets every month and the New Horizons Manager and Business Service Manager always attend these meetings. Section meetings are also held and these are attended by all workers. At least one of the Disability Services Standards is usually discussed at these meetings. Workers are also represented on the OH&S Committee. The Vocational Counsellor provides support to workers on committees.

20.8.8 Links to Training

The linkage between wage assessment and training is through the Individual Program Plan (IPP) process. Vocational goals are required to be set as part of the worker's IPP.

The most recent quality audit report noted that:

"The training identified for employees is a direct result of the wage assessment process, i.e. Work Associated Competencies that are assessed as Not Yet Competent are analysed for an appropriate training and/or support goal. . . ." (Benchmark Certification, April 2005).

20.8.9 Process for Disputing/Appealing the Outcome

There is an Operational Procedure, *Managing Service Recipient's/ Staff Complaints*, and any worker concerns, complaints or grievances about wage assessments must be recorded and actioned in accordance with this procedure.

The Certified Agreement also documents a *Dispute or Grievance Resolution Procedure* (Clause 7.1.2).

There has been one worker to date who questioned a wage assessment outcome and this was upheld after a further demonstration of competency.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | New Horizons Wage Assessment Tool |
|---|--|
| Compliance with relevant legislation and standards | <p>The New Horizons Wage Assessment Tool is incorporated in an agreement certified by the Australian Industrial Relations Commission.</p> <p>Quality audits have confirmed that the New Horizons Wage Assessment Tool complies with the requirements of Disability Services Standard 9.</p> |
| Validity and Reliability | <p>The New Horizons wage assessment process and competency criteria are clear and well-documented. The productivity measures are objective.</p> <p>All wage assessments are undertaken by the Vocational Counsellor in conjunction with the production supervisor. Inter-rater variation is therefore not an issue. The Vocational Counsellor reports to a manager outside of the Business Service management structure. Productivity measurements are undertaken by non-production staff. These reporting arrangements aim to provide some independence to the wage assessment process whilst still using assessors internal to the organization.</p> |
| Wage Outcomes | <p>Wages are linked to an appropriate award. Fifteen of the organisation's workers have had wage increases through this wage assessment process.</p> <p>Workers can progress to the Entry level of the next wage band once they have 50% of the requirements for the wage band.</p> |
| Practical application of the tool | <p>New Horizons personnel report that the tool is easy to use and is well understood by both staff and workers.</p> |
| Administrative and cost implications | <p>This wage assessment process is now well-established at New Horizons Enterprises. New Horizons management considers that the administrative and cost implications are reasonable. The Vocational Counsellor's time is also used for a number of other functions, and productivity testing takes around 40 minutes per worker per year.</p> |
| Industrial relations | <p>The New Horizons Wage Assessment Tool is incorporated in a Certified Agreement: the <i>New Horizons Enterprises Limited (Supported Employees) Certified Agreement 2001</i>.</p> <p>A Worker's Committee meets monthly and any major industrial negotiations are conducted through ACROD.</p> |
| Links to training | <p>Wage assessment is linked to training via the worker's Individual Program Plan. Areas where the worker is assessed as 'Not Yet Competent' are targeted for vocational goals.</p> |
| Process for disputing/appealing the outcome | <p>New Horizons has a Complaints procedure which can be used for disputing or appealing a wage outcome. The Certified Agreement also documents a Dispute or Grievance procedure.</p> |

Conclusion

The New Horizons Wage Assessment Tool was introduced in 2001 after research and training on the Greenacres model. The New Horizons tool uses the same hybrid concepts as Greenacres but with a number of modifications.

The New Horizons wage assessment process is incorporated in an agreement certified by the Australian Industrial Relations Commission. Quality Audits have determined that the New Horizons wage assessment process complies with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the *Good Practice Guide to Wage Determination* criteria.

Analysis against the *Good Practice Guide to Wage Determination* criteria suggests that the New Horizons Wage Assessment Tool, when implemented as described in section 1 of this document, satisfies the good practice criteria. The transparency of the wage assessment process could probably be further increased by routinely providing workers with a copy of their wage assessment prior to the IPP meeting.

Information Sources:

- Telephone Interview with New Horizons Enterprises personnel: Stephen Kinkead and Judi Mathews
- Written information provided by New Horizons Enterprises and Australian Business Lawyers, including:
 - *New Horizons Enterprises Limited (Supported Employees) Certified Agreement 2001*
 - *Competency Based Wage System* – Schedule A to the Certified Agreement;
 - *Skills Matrix – Work Associated Competencies Assessment*, Schedule B to the Certified Agreement;
 - *Skills Assessment* (policy and procedure document) – Schedule C to the Certified Agreement;
 - *Service Recipients' Career Planning, Employment Support & Training*, Procedure SR 02, Quality Manual, New Horizons Enterprises Ltd;
 - *New Horizons Business Service Wage Bands, 2005*;
 - *Employee Productivity Assessment Tool*
 - Sample of a 'Productivity Assessment Results' letter sent to employee by the Vocational Counsellor
 - Sample *Task Analysis* forms
 - *Quality Assurance Post Certification Report: Commonwealth Disability Services Standards – New Horizons Ltd*, Benchmark Certification, 7 April 2005.

21. Description of the Cumberland Industries Wage Assessment Tool

21.1 Owner/Developer of the Tool

Cumberland Industries Group

21.2 Type of Tool

Hybrid (Competency and Productivity)

21.3 Number of Business Services Using This Tool

One (Cumberland Industries)

21.4 History and Development of the Tool

Cumberland Industries reviewed the Supported Wages System tool, the Greenacres tool and other hybrid wage assessment tools. Cumberland Industries does work for many industries, including the pharmaceutical industry, textiles and food packaging and it was decided that a tool should be designed to meet the specific needs of the organisation.

Cumberland used competencies from the Australian Standard Classification of Occupations (ASCO) and assessment items from the Disability Maintenance Instrument (DMI). The relevant award classification was selected for each job on the basis of the duties performed by workers in that job.

A draft wage assessment tool was developed and trialled in the Textile division of Cumberland Industries. International Standards Certification Ltd also reviewed the tool and confirmed that it would meet the requirements of Disability Services Standard KPI 9.1.

The tool was then developed for all divisions of Cumberland Industries and is now in the process of being fully implemented. To date, over half of Cumberland Industries' workers have undertaken the new wage assessment. All workers should have completed the process by January 2006.

There is an older competency-based wage assessment tool that is incorporated in Cumberland's certified agreement and this is being used by workers until they transfer to the new wage assessment tool. The new tool will be used in Individual Australian Workplace Agreements currently being negotiated with workers.

21.5 Content and Structure of the Tool

The Cumberland Industries Wage Assessment Tool has three main assessment components:

1. Competency of Skills and Tasks Assessment
2. Productivity Capacity (also referred to as Performance Output) Assessment
3. Support Requirements Assessment

Wage assessment forms containing these three assessment components are documented for each of the production areas of Cumberland Industries:

- CCPS
- General Packaging
- Food and Household Manufacturing
- Textiles

The *Competency of Skills and Tasks Assessment* and the *Productivity Capacity Assessment* components are tailored to each production area while the *Support Requirements Assessment* is the same across all production areas.

1. Competency of Skills and Tasks Assessment

The *Competency of Skills and Task Assessment* contains 10 units of skills/task competency. For example, the 10 competencies for the *General Packaging* production area are:

1. *operates machinery to lift load and unload items*
2. *receives, checks and sorts incoming goods*
3. *packs containers or bags with products, counting weighing or measuring amounts and adjusting quantities*
4. *seals cartons using tape gun or tape machine and attaches pre-printed label*
5. *counts and places bags or packages onto conveyor belt or pallet*
6. *stamps or stencils identifying data on cartons, bags or cards*
7. *quality control visually inspects materials, containers, cartons and shippers*
8. *assists with stock take, records numbers, weight, times and dates*
9. *wraps protective material around product by hand or machine e.g. pallet wrap*
10. *operates machinery used to heat seal or shrink wrap*

The worker is given a score of 0, 5 or 10 for each competency unit as follows:

- 0 if the worker is unable to perform the task at all
- 5 if the worker can perform part of the task
- 10 if the worker can perform the full task that is described

The competency assessment has the capacity to weight task competencies based on the proportion of each working day spent on an individual task. At present, each of the ten competency units has a weighting of 10%. The scoring system described above results in a total competency score out of 100.

2. Productivity Capacity Assessment

This component of the wage assessment measures the worker's productivity for 3 common tasks selected for the production area. For example, the productivity assessment tasks for the *General Packaging* production area are:

- *insert 4 items into a small plastic bag and seal bag with a hand tape dispenser*
- *insert a folded DL (business size) brochure to a standard business envelope and press seal*
- *folding a single A4 brochure to DL size*

The worker's quantity output per hour is measured on two 15-minute trials at each task. A productivity percentage rate is calculated by comparing the worker's production rate with that of a staff member performing the same task.

Quality of production is also considered. Any output not meeting minimum quality requirements is subtracted from the total output in productivity calculations.

3. Support Requirements Assessment

This part of the wage assessment is consistent across all production areas. Items from the DMI are used and grouped into 3 sections:

- Behavioural Management
- Training
- Supervision

For example, the assessment items in the Behavioural Management section are:

1. maintain friendly and cooperative relationships with fellow workers
2. greet and interact with people confidently
3. behave in a manner that is appropriate to the work environment
4. control anger and frustration appropriately
5. cope with work-related or employment preparation-related stress and pressure appropriately
6. maintain a positive outlook and mood most of the time
7. manage fear or anxiety about work issues
8. display emotions appropriate to the situation
9. cope with change in the work environment
10. address attitudinal barriers e.g. difficulty dealing with authority figures, difficulty in accepting direction
11. maintain personal hygiene, grooming and dress appropriate to the work or training environments.

There are 11 assessment items in the *Behavioural Management* section, 9 items in the *Training* section, and 17 items in the *Supervision* section.

As for the DMI, the assessment items are rated based on the level of assistance provided by the service over the past three months to enable the worker to achieve the listed behaviours. A 4-point rating scale is used:

- 1 = No assistance provided (worker consistently achieved this with no prompts, reminders, counselling or other support during the past three months)
- 2 = Some assistance provided (worker required up to three or four prompts, reminders, or brief (e.g. up to 10 minutes duration) counselling or role modelling sessions during the past three months)
- 3 = Moderate level of assistance provided (on average, worker required weekly prompts, reminders, counselling or role modelling sessions during the past three months)
- 4 = High level of assistance provided (worker required frequent (e.g. daily) prompts, reminders, counselling and/or other support during the past three months).

Note that the examples provided in brackets for the rating scale above are those for the *Behaviour Management* section. The examples differ slightly for the *Training* and *Supervision* sections.

The scores are added to give a total score for each section and this then translates to a percentage weighting for each section. The score for the Competency Skills and Task Assessment is then adjusted by the weightings achieved for the Productivity Capacity Assessment and the Supervision Requirements Assessment to calculate the overall percentage of award rate for the worker (see *Scoring and Wage Calculation* for further details).

21.6 Assessment Process

Human Resources personnel complete the relevant Wage Assessment form for the worker's production area, i.e.

- CCPS;
- General Packaging;
- Food and Household Manufacturing; or
- Textiles.

This is done in consultation with the worker's supervisors and through observation and review of work reports. Workers are aware that they are being assessed.

The wage assessment forms part of the Individual Employment Plan (IEP) process.

The 3 sections of the Wage Assessment Tool are completed, i.e.

- Competency of Skills and Tasks Assessment;
- Productivity Capacity Assessment; and
- Support Requirements Assessment
 - Behaviour Management
 - Training
 - Supervision.

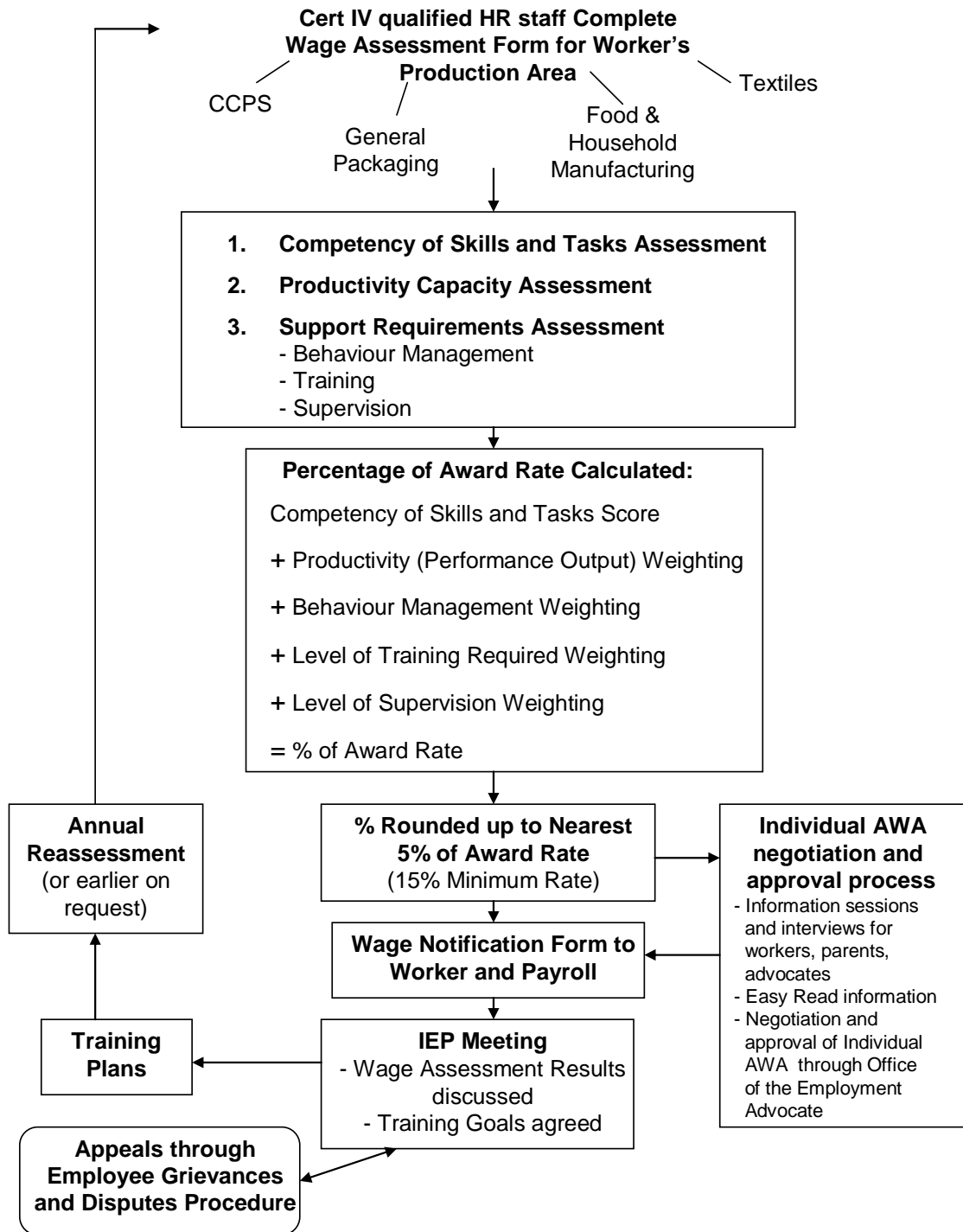
The assessor totals the points for each of these sections, translates these to weightings where applicable, and calculates the percentage of Award rate to be paid (as described in *Scoring and Wage Calculation*).

Cumberland Industries is aiming for annual reassessment to synchronise with each worker's IEP. Workers will also be able to request earlier review.

A Wage Notification Form advises the worker and payroll of any change in wage.

The wage assessment process will feed into both the IEP process and the AWA process. The following diagram summarises the wage assessment process.

Summary of the Cumberland Industries Wage Assessment Process



21.7 Scoring and Wage Calculation

The formula for calculating the worker's percentage of Award wage is summarised as follows:

Competency of Skills and Tasks Score + Productivity (Performance Output) Weighting + Behavioural Management Weighting + Level of Training Required Weighting + Level of Supervision Weighting

The **Competency of Skills and Tasks Score** is calculated by adding the points assigned for the 10 specified tasks for the worker's production area. As described in *Structure and Content of the Tool*, scores of 10, 5 or 0 are assigned to each of the 10 tasks depending on whether the worker can perform all, part or none of each task. The maximum total score is 100.

The wage tool provides for each task to be assigned a % of day weighting to account for situations where workers may spend more time on some tasks than others. At present, all tasks are given a weighting of 10%, totalling 100% for all ten tasks.

The **Productivity Weighting** is calculated by averaging the worker's production totals for two trials each on three specified tasks over 15 minute time intervals. This total is then divided by the corresponding total for a staff member completing the same tasks (the comparator) and multiplying by 100 to get a percentage rate.

The following Productivity Weightings are then applied:

- If the worker's productivity rate is 0 - 24% of the comparator rate, the Productivity Weighting is 0%
- If the worker's productivity rate is 25 – 49%, the Productivity Weighting is 5%
- If the worker's productivity rate is 50 - 74%, the Productivity Weighting is 10%
- If the worker's productivity rate is 75 – 100%, the Productivity Weighting is 20%

The **Behaviour Management Weighting** is calculated by adding the scores for all 11 Behaviour Management assessment items. (These range from 1 for *no assistance provided*, to 4 for *high level of assistance provided*.) The total score then translates to one of four weightings:

- A total score of 0 – 11 points has a weighting of 0%
- 12 – 22 points has a weighting of -5%
- 23 – 33 points has a weighting of -10%
- 34 – 44 points has a weighting of -20%

The **Level of Training Required Weighting** is calculated in a similar way to the Behaviour Management Weighting, but as there are only 9 assessment items in this section, the weighting scale is different:

- A total score of 0 – 9 points has a weighting of 0%
- 10 – 18 points has a weighting of -5%

- 19 – 27 points has a weighting of -10%
- 28 – 36 points has a weighting of -20%

The **Level of Supervision Required Weighting** has 17 assessment items and the weighting scale is as follows:

- A total score of 0 – 17 points has a weighting of 0%
- 18 – 34 points has a weighting of -5%
- 35 – 51 points has a weighting of -10%
- 52 – 68 points has a weighting of -20%

The following example shows how a worker's Award wage rate would be calculated:
If our example worker could perform all of 8 of the 10 specified tasks for their production area and could perform part of the remaining 2 tasks, their *Competency of Skills and Tasks Score* would be $(8 \times 10) + (2 \times 5) = 90\%$.

If the worker's productivity rate was 60% of the comparator rate, their *Productivity Weighting* would be **10%**.

If the worker required some assistance for most of the Behaviour Management items and scored a total of 15 points for this section, their Behaviour Management Weighting would be **-5%**.

If the worker required moderate assistance for many of the Training items and scored a total of 24 points for this section, their *Level of Training Required Weighting* would be **-10%**.

If the worker required some assistance for most of the Supervision items and scored a total of 25 points for this section, their Level of Supervision Required Weighting would be **-5%**.

Using the calculation formula:

Competency of Skills and Tasks Score
+ Productivity Weighting
+ Behavioural Management Weighting
+ Level of Training Required Weighting
+ Level of Supervision Weighting

this example worker's wage rate calculation would be:

$90\% + 10\% - 5\% - 10\% - 5\% = 80\%$ of the Award rate

The worker is paid according to the percentage calculated above rounded up to the nearest 5% of the Award rate.

21.8 Good Practice Guide to Wage Determination Criteria

21.8.1 Compliance with Relevant Legislation and Standards

Cumberland Industries is in the process of implementing the Wage Assessment Tool through individual Australian Workplace Agreements. These agreements are approved individually for each worker through the Australian Government Office of the Employment Advocate.

A Quality Surveillance Audit conducted at the end of June 2005 found that Cumberland Industries complied with Disability Services Standard 9. (International Standards Certification Pty Ltd) It must be noted that this audit has occurred prior to full implementation of the new wage assessment tool. The next annual audit that occurs should therefore confirm whether the new wage assessment process, as implemented, complies with the Disability Services Standards.

21.8.2 Validity

The Cumberland Industries Wage Assessment Tool process is well-documented. The tool contains a comprehensive range of competency, support needs and productivity measures, including ASCO competencies and many items from the Disability Maintenance Instrument. The task competencies are specific to the work performed and directly aligned to the Award.

Cumberland Industries considers that the *Support Requirements* section of the wage assessment tool recognises the role of Business Services in providing assistance to workers to achieve and maintain workplace skills and behaviours.

21.8.3 Reliability

Descriptors are provided for the rating scales that are used and this should reduce the potential for variation between assessors.

All of the wage assessments are conducted by accredited staff of Cumberland Industries who have attained Certificate IV in Workplace Training and Assessment. Input is also received from workplace supervisors.

Cumberland Industries reports that the Wage Assessment Tool was trialled with 4 assessors and there was close agreement between the results from different assessors.

21.8.4 Wage Outcomes

Workers are reported to be happy with the wage outcomes received and there has been a 20% average increase in wages using the new tool, with some workers receiving an increase of more than 50%.

All workers are paid at least 15% of the Award even if their wage assessment result is below this percentage.

A 'no disadvantage' test is applied by the Office of the Employment Advocate when approving individual AWAs.

The most recent Quality Surveillance Audit report suggested that workers need a better understanding and awareness of the wage calculation process. (International Standards Certification Pty Ltd, June 2005) This finding would probably relate mainly to the pre-existing wage assessment system that was in place at the time; however, an Easy English explanation of the new wage assessment and calculation process could be helpful for workers and Cumberland Industries has recently developed this.

Cumberland Industries will also provide:

- Information sessions for workers, parents and advocates regarding the wage assessment process and Australian Workplace Agreements;
- Individual interviews with workers and their advocates to explain the wage process; and
- Newsletter information about the wage process.

An Easy English version of the Australian Workplace Agreement is already available for workers.

21.8.5 Practical Application of the Tool

The Cumberland Industries Wage Assessment Tool has been designed for the organisation's situation and task competencies have been specifically selected for the types of work that is undertaken.

Depending on the individual worker's needs, the wage assessment can usually be completed within one hour.

The wage assessment forms and calculation formulae are all provided in *MS Excel* so no manual calculations are required when completing the wage assessment. The assessment components can be completed separately if required.

As the tool is scored using *MS Excel*, any variations in Award rates can be easily entered into the wage calculation system.

21.8.6 Administrative and Cost Implications

Set up of this wage assessment tool included the selection of ASCO competencies, collection of comparator productivity timings and translation of total points for the assessment components to weightings. Much of the Support Requirements section of the assessment is already available through the DMI.

The DMI assessment items are also required for Case Based Funding purposes and the productivity data and task competencies would be recorded in any case, so there is some efficiency and multiple use of the assessment data.

As the wage assessments are done by Cumberland Industries staff, there is no cost for external assessors.

21.8.7 Industrial Relations

To date, one Individual Australian Workplace Agreement has been approved. This agreement used the new Wage Assessment Tool and there have been no problems encountered with this. Cumberland Industries is now implementing the new wage process for all workers through Individual AWAs, using the same template. A further 70 individual AWAs have been lodged and are currently awaiting approval.

Workers can involve an individual advocate in the AWA process.

21.8.8 Links to Training

The linkage of the wage assessment process to the IEP process provides the main link to training. Wage assessment results are discussed at the IEP meeting, training goals are set and training plans documented.

21.8.9 Process for Disputing/Appealing the Outcome

The Cumberland Industries Wage Tool Procedure (SR 09) states that workers may appeal a wage decision through the Employee Grievances and Disputes Procedure. Individual AWAs also contain a *Model Dispute Resolution Procedure*.

Cumberland Industries has Easy English and pictorial formats of the Grievance procedure available for workers.

Workers or their advocates are able to request a wage assessment and review at any time.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Cumberland Industries Wage Assessment Tool |
|---|---|
| Compliance with relevant legislation and standards | <p>It is planned that the Cumberland Industries Wage Assessment Tool will be implemented through Australian Workplace Agreements. This has occurred for one worker to date and other AWAs are awaiting approval.</p> <p>Although preliminary indications from the organisation's certification body suggest that the wage assessment process will comply with the Disability Services Standards, an on-site audit is required once the process is more fully implemented to confirm this.</p> |
| Validity and Reliability | <p>The Cumberland Industries Wage Assessment Tool contains a range of competency, support needs and productivity measures. These include ASCO competencies and items from the Disability Maintenance Instrument.</p> <p>Descriptors are documented for the rating scales and this should reduce the potential for variation between assessors.</p> <p>The wage assessments will all be conducted by staff with Certificate IV qualification in Workplace Training and Assessment, with input from workplace supervisors.</p> <p>Cumberland Industries reports that a trial of the tool showed close agreement between the results from different assessors.</p> |
| Wage Outcomes | <p>Cumberland Industries reports an average 20% increase in wages using the new wage assessment tool.</p> <p>Wage assessment results are rounded up to the next 5% increment of the Award and a 'no disadvantage' test is applied by the Office of the Employment Advocate when approving the individual AWAs.</p> |
| Practical application of the tool | <p>The Cumberland Industries Wage Assessment Tool has been designed specifically for the type of work that the organization undertakes.</p> |
| Administrative and cost implications | <p>Set up requirements for this wage assessment tool include the selection of competencies, collection of comparator productivity timings and translation of total points for the assessment components to weightings.</p> <p>Inclusion of DMI assessment items means that this data component can be used for both wage assessment and Case Based Funding purposes.</p> <p>Assessment for an individual worker can usually be completed within one hour.</p> <p>The wage assessments are done internally, so there is no cost for external assessors.</p> |

| | |
|--|--|
| Industrial relations | The Australian Workplace Agreement process is being used to implement the Cumberland Industries wage assessment tool. Workers can involve an individual advocate in the AWA process. |
| Links to training | The main link to training is through the IEP meeting where wage assessment results, training goals and training plans are discussed and documented. |
| Process for disputing/appealing the outcome | Cumberland Industries has an Employee Grievances and Disputes Procedure through which workers may appeal a wage decision. This grievance procedure is available in Easy English and pictorial formats. Individual AWAs also contain a Model Dispute Resolution Procedure. |

Conclusion

Cumberland Industries developed its new wage assessment tool following review of the Supported Wages System tool, the Greenacres tool and other hybrid wage assessment tools. The Cumberland Industries Wage Assessment Tool is comprehensive and incorporates assessment of competencies, productivity and support requirements. The tool's content is specifically designed for the work undertaken by Cumberland Industries.

The Cumberland Industries Wage Assessment Tool is in the process of being implemented through individual Australian Workplace Agreements (one of which has been approved to date). An existing competency-based wage assessment tool is in place until workers transfer to the new tool.

As the tool is in the initial stages of implementation, confirmation that the wage assessment process complies with the Disability Services Standards is required from the next on-site quality audit that occurs. Some errors were found in the assessment tool content during this analysis and a further check of the tool once all forms have been finalized would be advisable to ensure that anomalies have been corrected.

Analysis against the *Good Practice Guide to Wage Determination* criteria suggests that the Cumberland Industries Wage Assessment Tool, when finalized, checked and implemented as described in section 1 of this document, will satisfy the good practice criteria.

Information Sources:

- Telephone Interview with Kara Pavloff, Director of Human Services, Cumberland Industries Group, Steve Bonasin, Human Resource Officer, Rachel Dobbins, Individual Planning
- Written information provided by Cumberland Industries, including
 - SR 09 Cumberland Industries Wage Tool procedure
 - CCPS Assessment Tool
 - General Packaging Assessment Tool
 - Food and Household Manufacturing Assessment Tool
 - Textiles Assessment Tool
 - QA approval documentation
 - Approval Notice from Office of the Employment Advocate for one employee's AWA Individual agreement
 - Surveillance audit report

22. Description of the Endeavour Wage Assessment Tool

22.1 Owner/Developer of the Tool

Endeavour Industries Limited

22.2 Type of Tool

Hybrid (Competency and Productivity assessment)

22.3 Number of Business Services Using This Tool

One (Endeavour Industries)

22.4 History and Development of the Tool

The Endeavour Wage Assessment Tool was developed prior to the development of the organisation's first Enterprise Agreement in 2001. Endeavour had examined the Greenacres tool and had previously used the *Skillsmaster* wage assessment system but found this to be cumbersome and limited in linkages to national competency standards.

Endeavour representatives considered that a hybrid wage assessment system based on assessment of job skills, work associated competencies and at the higher level, individual productivity, would be effective. Productivity alone at the lower levels was not assisting in the development of independent working skills and the ability of workers to make decisions. The focus was therefore on developing basic work competencies and job skills at the lower levels with job skills becoming the vehicle for developing Work Associated Competencies and productivity.

Investigations into the measurement of productivity at Endeavour Industries found that the ability to measure individual productivity was severely restricted due to the type of work and the arrangement of much of the work on a production team basis. It was therefore decided to establish an average productivity rate and use this as a mid-point in the six lower levels of the Wage Rates Schedule. The average productivity rate was measured using a comparison of the supported wine packaging team and the non-supported wine packaging team over a period of time. The result was 18.6% and this was ratified with the enterprise bargaining committee at the time.

The six wage levels (1c, 1b, 1a, 2c, 2b, 2a) ranged from 11.6% of the Award to 25.6% of the Award (with 18.6% sitting at the mid-point between the two middle wage levels). Further wage levels up to 100% of the Award were added in March 2003 as part of the second Enterprise Agreement and productivity measures on an individual and task basis were incorporated into the system for those employees assessed at level 3 and above. The current wage levels are as follows:

- Level 1c – 11.60% of the Award Wage
- Level 1b – 14.40%
- Level 1a – 17.20%
- Level 2c – 20.00%
- Level 2b – 22.80%

- Level 2a – 25.60%
- Level 3c – 28.40%
- Level 3b – 30%
- Level 3a – 35%
- Level 4 – 40%
- Level 5 – 50%
- Level 6 – 60%
- Level 7 – 70%
- Level 8 – 80%
- Level 9 – 90%
- Level 10 – 100%

22.5 Content and Structure of the Tool

The Endeavour Wage Assessment Tool comprises the following components:

- Job Skills Assessment Checklists
- Work Associated Competency Assessment Checklists
- Productivity Records
- Wage Assessment Records
- Schedule A (to the Enterprise Agreement) – **Wage Rates** (a list of rates for each classification or wage level)
- Schedule B – **Competency Framework and Assessment Sets** (an overview of the process and a list of all the current job skills and work associated competencies)
- Schedule C – **The Relationship between Classifications (wage levels) and Assessment** (a set of basic rubrics)

The checklists are designed to record whether or not a person can perform a task and the level of supervision and assistance they need to perform the task or skill.

Assessment Sets relate to the specific vocational fields in which Endeavour employees may work. Each Assessment Set contains a number of Job Skills and each Job Skill has a checklist. Individual employees are encouraged to work across a number of Assessment Sets. For example, the Job Skills in the *Laundry* area are:

- Carry out in-count
- Operate washing machines
- Operate dryers
- Lay up
- Operate sheet ironer

- Operate flat bed ironer
- Operate small ironer
- Fold and sort towels
- Operate press
- Assess damaged goods
- Repair damaged goods
- Pack rags
- Assist deliver
- Assist pack out
- Assist customer service

Work Associated Competency Checklists contain performance indicators in each of the following 8 areas for each wage level:

1. Occupational Health and Safety
2. Punctuality and Attendance
3. Personal Appearance and Hygiene
4. Staying on Work Task
5. Communication
6. Behaviour
7. Team and Independent Work Practices
8. Responsibility

For example, at wage Level 1B, the Work Associated Competencies are:

OH&S - 1B

- Wears correct footwear
- Attempts to learn and follow basic safety rules
- Follows rules about smoking/ alcohol/ drug use

Personal Appearance & Hygiene - 1B

- Maintains personal hygiene
- Maintains clean and tidy appearance
- Keeps hair tied back and neat and tidy
- Does not wear loose clothing or jewellery

Punctuality & Attendance – 1B

- Reports to work on time (start, morning tea, lunch)
- Phones when late or sick
- Notifies supervisor of whereabouts

Stays on Work Task – 1B

- Tolerates physical work stresses – heat, noise, dirt, etc
- Works without unnecessary breaks
- Remembers instructions minutes after being given
- Requests more work as task is completed

Communication – 1B

- Asks for help when needed
- Expresses own needs adequately to appropriate staff
- Listens and follows instructions
- Speaks in a courteous and pleasant manner
- Maintains appropriate physical contact
- Does not interrupt work

22.6 Assessment Process

Assessments are conducted over a 3-month period by support workers who are in a position to observe the worker's job skills and work associated competencies on a daily basis. Support workers document progress against IPP goals and incidents that occur in the workplace in daily progress notes. The support workers who conduct assessments have Certificate IV qualification in Workplace Assessment and Training.

Each assessment is based on a set of performance criteria and graded in line with a rating scale similar to that used in the Disability Maintenance Instrument (DMI).

The rating scale takes account of the person's ability to carry out a task and the level of support required. In contrast to a *yes/no* or *competent/not yet competent* approach, Endeavour considers that this incremental rating scale is easy for workers to understand and encourages them to build skills.

Assessment scores are determined from Progress Notes, supervisor feedback and observation in the work place over the 3-month assessment period.

The assessment process involves the following components:

1. Assessment of Job Skills

The discrete tasks that make up the jobs performed by workers are referred to as *Job Skills*. Each Job Skill is documented as a Job Skill procedure with step by step tasks. These have associated occupational health and safety elements and may also have specific quality standards documented for the task.

Assessment of Job Skills is carried out on-the-job by qualified workplace assessors and recorded on a Job Skill Checklist which is then scored. The Job Skills Assessment Checklist has two sets of requirements:

- one based on observations of the worker's ability to perform the tasks and the level of supervision required; and
- a set of questions about the tasks that are asked of the worker by the supervisor.

For example, the Job Skill *Operate Dryers* in the Laundry area has assessment against the following:

Observation

1. OH&S

- 1.1 Loads dryers properly, does not overload
- 1.2 Follows proper manual handling procedures
- 1.3 Reports faults with dryers
- 1.4 Follows fire safety procedures

2. Quality

- 2.1 Sets timer correctly, checks chart if unsure
- 2.2 Starts dryers
- 2.3 When finished opens doors
- 2.4 Checks linen for dryness
- 2.5 Unloads dryers into towel bins
- 2.6 Cleans filters twice daily
- 2.7 Keeps customer owned goods separate from Endeavour goods

These observation items are rated on a 6 point scale:

1. Can perform this item with very high level of supervision – hourly
2. Can perform this item with high level supervision – every day
3. Can perform with moderate supervision – every 2-3 days
4. Can perform with some supervision – weekly
5. Can perform with occasional supervision – once or twice a month
6. Can perform this item with minimal supervision

There are also five Question and Answer items for the Job Skill *Operate Dryers*:

- 3.1 Can we send damp towels to our customers? Why? (*Answer: No. Because our customers cannot use them and they can go mouldy*)
- 3.2 What happens if you put too many towels in the dryers? (*Answer: Towels will take a lot longer to dry and the middle towels may still be damp*)
- 3.3 Can it be dangerous if you over dry towels? Why? (*Answer: Yes. This can cause dryers to catch on fire*)

3.4 What do you do if a dryer won't start? (*Answer: See a supervisor*)

3.5 What do you do if smoke or fire is seen when you open a dryer? (*Answer: Close the door immediately and alert the supervisor*)

These Question and Answer items are scored on a 6 point scale:

1. Requires constant prompting
2. Requires considerable prompting
3. Requires moderate prompting
4. Requires minimal prompting
5. Knows answer
6. Understands answer

For clients with minimal verbal skills, yes/no responses and gestures that indicate these responses are accepted. The assessor can also use simpler questions or use a 'show and tell' approach.

Workers are assessed for each Job Skill that they have undertaken in the previous 12 months. Assessment occurs over a three-month period and then wage review and the worker's IPP meeting occurs in the following month.

2. Assessment of Work Associated Competencies

Each worker is assessed over the period leading up to the Wage Assessment. There are performance indicators for each area in each Level. There is a stated level of performance required to attain a particular wage level and this must be maintained for the assessment period between 2 reviews or between a review and a new IPP (i.e. for a period of approximately 3 months)

The Work Associated Competency (WAC) Assessment Record is completed on at least 3 occasions during the assessment period. The Work Associated Competencies for the relevant wage level are assessed using a 6-point scale to indicate the assistance and support level required:

1. once an hour
2. once a day but not every hour
3. once a week but not every day
4. once a month but not every week
5. requires minimal assistance
6. does not require assistance

Once the worker has achieved and maintained (for 3 months) a score of 3 or higher for all items at Level 1b, the worker then progress to assessment against the Work Associated Competencies for Level 1a and so on. WAC items for the next level are also displayed on the assessment form for each level so that progression is encouraged.

3. Assessment of Productivity

Workers at Level 3 or above are also assessed for productivity against a comparator standard set by a supervisor over an average of at least 3 trials of the task.

The comparator standard is known as a Productivity Standard Performance Measure (PSPM). These PSPMs are renewed if and when a task alters significantly.

The worker's productivity is assessed on at least 3 occasions for 3 separate tasks. The performance of the worker against the PSPM comparator productivity rates is documented on the Productivity record. Either '*time taken*' or '*units produced*' measures are used as appropriate.

The assessor must check that there is a current written Safe Working Procedure for the task so that both the person setting the PSPM and the employee being assessed are following the same procedure. This enables a fair comparison i.e. "apples to apples".

The assessor decides how the job skill will be measured and carries out the assessment of the supervisor to find the PSPM. Once the PSPM is obtained for the job skill this data is entered into the database.

The assessor arranges with the employee and their supervisor for the assessments to be completed. Employees must agree to these assessments taking place.

The assessor carries out the assessment of the employee taking into account the following:

- timing of the assessment must continue until any task is completed to the required quality standard, e.g. if the supervisor needs to assist or re-direct and the employee repeats any part of any task the timing continues throughout this;
- timing should stop for acceptable breaks or breakdowns or other events outside of the control of the employee;
- it is not the role of the assessor to prompt the employee, if they need assistance they should ask their supervisor or whoever they would ask in the normal course of their work;
- the required level of quality must be stated in the Safe Working Procedure which is used as performance criteria;
- the assessor should not attempt to predict the outcome of any assessment; and
- the employee has been trained in the job skill being assessed, all the relevant equipment [and modifications if necessary] is available and the job skills are those performed by the employee on a regular basis.

A productivity percentage rate is calculated by computer by comparing the worker's average productivity score with the comparator PSPM.

4. Wage Assessment/Review

The results of the assessments are documented on the *Job Skills Assessment Record Form*, the *Work Associated Competencies Record Form* and where appropriate the *Performance Measurement Form* (for productivity) and then transferred onto a *Wage Assessment Form*.

The Disability Services Coordinator (DSC) then enters the scores into the *Employee Wage Assessment calculator* (a computer based form in *Filemaker* software which includes the scoring formula). The wage assessment form is printed out and the worker and the DSC sign off on the Wage Assessment.

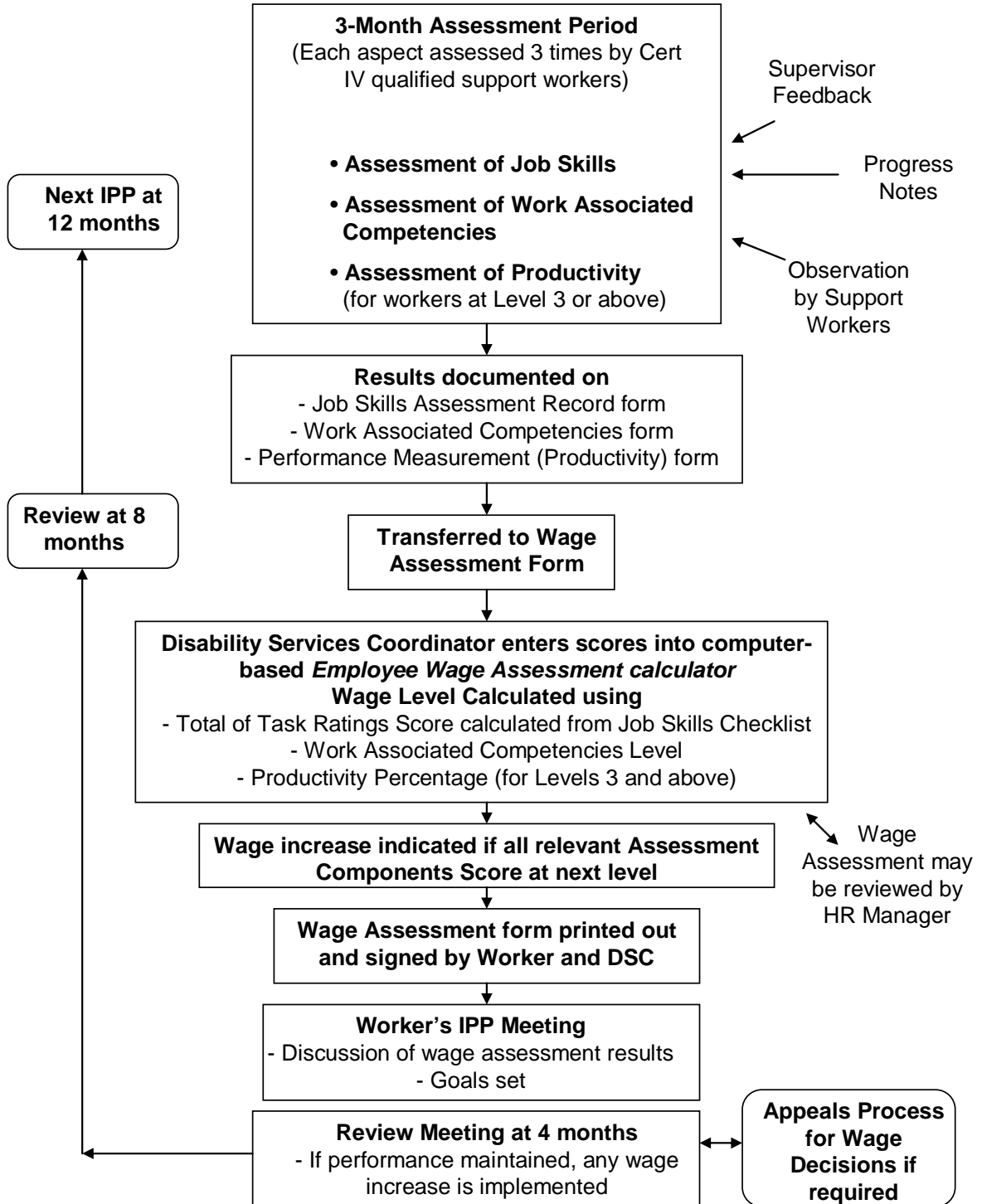
The DSC can take the wage assessment to the Human Services Manager for further review. This would occur if the DSC thinks that findings of the assessment appear to produce a result that is not accurate (for example - that does not correlate with the result for employees with a similar level of ability and application), or if the employee, their advocate and/or their key worker believe that the result is not accurate.

The DSC's role includes supervising support staff, coordinating IPPs, reviewing and approving wage assessments and reviewing wage assessment data.

The Wage Assessment is discussed at the worker's IPP meeting which is usually attended by the DSC or Assistant DSC, the worker, their key support worker and an advocate or parent.

The wage assessment process is summarised in the following diagram:

Summary of Endeavour Industries Wage Assessment Process



22.7 Scoring and Wage Calculation

The Job Skill Checklist produces a grading of 1 to 6 for the worker and this grading is recorded on a Job Skills Assessment Record Form. This grading takes into account not only the worker's ability to carry out the task but also the support level required.

All of the **Job Skill Checklist gradings** for the worker are then added to produce the **Total of Task Ratings score**. The computer-based Wage Assessment calculator automatically calculates this total score and the wage rate. Each level in the wage system has a minimum Task Rating score. These minimum scores are based on the number of Job Skills assessment sets available at any time and a moderated level of performance required. For example:

- Level 1c is the entry level and there is no minimum score;
- the minimum score for Level 1b is 10; and
- the minimum score for Level 1a is 18;
- the minimum score for Level 2c is 24, and so on to Level 10, where the minimum score is 100.

The score calculation formula/ method was not detailed in the documentation provided for this analysis. Verbal explanation was provided by Endeavour Industries staff as follows.

1. A minimum score for the Job Skill is set (the process by which this is done is not clear, but it is usually around 1 more than 50% of the number of assessment items for the Job Skill).
2. The number of items receiving a rating of 6 is counted.
3. The number of items receiving a rating of 5 is counted.
4. The number of items receiving a rating of 4 is counted.
5. The number of items receiving a rating of 3 is counted.
6. The number of items receiving a rating of 2 is counted.
7. The number of items receiving a rating of 1 is counted.
8. Starting from the count for rating 6, then rating 5 and so on, the counts are added until the total is more than the minimum score set for the Job Skill.
9. The score for the Job Skill is the rating on the 6-point scale at which the minimum score amount was passed.

Using the example cited earlier for the *Operate Dryers* Job Skill:

- There are a total of 16 assessment items for this Job Skill (11 Observation items and 5 Question items). The minimum score for this Job Skill is 10.
- An example worker achieves the following number of ratings:
 - 0 items with a rating of 6;
 - 5 items with a rating of 5;
 - 6 items with a rating of 4;

- 5 items with a rating of 3;
- 0 items with a rating of 2; and
- 0 items with a rating of 1.
- Starting at rating 6 and adding the number of items for each rating: 0 (rating 6 items) + 5 (rating 5 items) + 6 (rating 4 items) = 11 which is one more than the minimum score for this Job Skill.
- This example worker receives a score of 4 for this Job Skill (because this was the rating at which the minimum score was passed).

Endeavour Industries report that this counting method is more reliable than simply averaging the ratings received across all items.

The scores for each Job Skill in which the worker is assessed are added to produce the Total of Task Ratings Score. A total of at least 10 points is required for the worker to progress to wage Level 1b, 18 points for Level 1a, 24 points for Level 2c, etc.

Workers can increase their Total of Task Ratings Score by increasing the number of Job Skills that they undertake.

The **Work Associated Competencies Assessment level reached** and the **Productivity percentage** (at Level 3 and above) are also considered in the Wage Assessment calculation.

Productivity Percentage Score

Productivity is used to determine wage levels for employees who have met the requirements for Level 2a and need to progress beyond this level.

There are 8 wage levels for which productivity is assessed: Levels 3c, 3b, 3a, 4, 5, 6, 7, 8, 9 and 10.

There is a required level of productivity for each level based on a range of Job Skills that become more complex as the employee moves closer to Level 10. The employee must achieve the required level of productivity as well as the required Job Skills score and Work Associated Competency score for the level they are trying to achieve.

To achieve the required productivity for Level 3c the employee needs to achieve 90-100% productivity for all of the level 1 and 2 job skills allocated to them according to their position and capability.

On achievement of all allocated Level 1 and 2 job skills, each employee is allocated 3 Job Skills for each level as they progress from Level 3b to 10 according to the position they hold and the type of work suited to their capabilities. To achieve Level 3b the employee needs to meet **50%** of the Level 3 job skills allocated to them. To achieve the next level (3a), the employee must meet **80%** of the Level 3 job skills allocated to them.

For Levels 4 to 10, the employee must achieve 90-100% productivity for the allocated job skills of the preceding level.

When the employee maintains a new level for an assessment period and moves to the higher wage, they begin being assessed on the next set of Job Skills.

For workers at wage levels 1c to 2a, the worker must attain consistent scores across the Job Skills and Work Associated Competencies components. In other words, the WAC score must match or be higher than the calculated Job Skill level in order for the employee to move to that wage level. For example, a worker must have achieved and maintained (for 3 months) a score of 3 or higher for all the Work Associated Competencies items at Level 1b to be paid at this level even if their Total of Task Ratings score reached 10 points

For workers at wage levels 3 to 10, consistent scores must be obtained across all three components, ie Job Skills, Work Associated Competencies and Productivity. At Level 3, there is more focus on productivity, and the worker's Level 2a skills and Work Associated Competencies may be monitored less frequently.

Workers must also demonstrate maintenance of a higher level of assessed performance for another assessment period (i.e. a minimum of 3 months) before they receive the higher wage level. If a worker shows a deterioration of their skills in an assessment, this too must be confirmed by another assessment. A person's wage cannot be increased or decreased unless the change is confirmed over an assessment period.

22.8 Good Practice Guide to Wage Determination Criteria

22.8.1 Compliance with Relevant Legislation and Standards

The Endeavour Wage Assessment Tool has been reviewed by the Industrial Commission during the registration of two Enterprise Agreements. Workers were involved in negotiating the Enterprise Agreement through a representative committee and parents and advocates also had the opportunity to be involved in the process. The local union representative was also involved.

Quality audit reports (certification audit in May 2004 and surveillance audit in June 2005, conducted by *Benchmark Certification*) have both rated Endeavour Industries as complying with KPI 9.1 of the Disability Services Standards. The latest audit report confirmed that the wage assessment process was in place and being reviewed by management for best practice implementation, that employees are informed of the wage outcome and parents/ advocates have the opportunity to participate in the IPP process and that employees have the opportunity to reach the full capacity of the Award.

22.8.2 Validity

Endeavour Industries is a Registered Training Organisation and key staff are well-qualified in assessment and training.

The checklists are clear in what is being assessed and cover a wide range of job skills. Assessment over a 3-month time period ensures that the result is not based on a one-day 'snapshot' of the worker's performance.

The Endeavour Wage Assessment Tool has been reviewed and improved over the four years of use. Endeavour reports that the results of wage assessments have been validated against DMI assessments and in formal and informal validation reviews, although specific details were not provided.

Further work may be required to provide a more transparent explanation and rationale for the scoring system of the tool.

22.8.3 Reliability

Workplace Assessors from the Human Services section of the organisation conduct the Job Skills and WAC assessments with input from other support staff, supervisors and managers as required. This provides multiple inputs for the assessment information with oversight and collation of this information by staff experienced and qualified in workplace assessment.

22.8.4 Wage Outcomes

Analysis by Endeavour Industries of assessment and wage outcomes for 51 workers who have had at least 2 wage assessments found that over the past 2 to 4 wage assessments:

- 45% had an increase in Job Skills task rating score and had an increase in wages;
- 24% had an increase in Job Skills task rating score but no increase in wages;
- 22% had no change in either Job Skills task rating score or wages;
- 8% had a decrease in Job Skills task rating score but no decrease in wages; and
- 1% had a decrease in Job Skills task rating score and a decrease in wages.

The Endeavour wage assessment process has a 'hold-off' period of 3 months, i.e. workers have to demonstrate that they have maintained the requirements for the next level for a period of 3 months before the wage rise (or decrease) is approved. Endeavour says that this establishes the reliability of the assessment results, avoids a lot of chopping and changing in workers' wage rates and encourages consistency and maintenance of work performance, rather than once-off achievement.

Although there is no specific requirement in the Good Practice Guide criteria that wage increases must be applied without delay, other wage assessment systems do so. Another option may be to backdate the wage rise once maintenance has been demonstrated.

22.8.5 Practical Application of the Tool

The Endeavour Wage Assessment Tool has been specifically designed for the organisation. Endeavour staff report that there are no problems in assessing and

recording workers' Job Skills and Work Associated Competencies and combining these results.

The wage assessment is linked with the IPP process and Endeavour is in the process of incorporating more of the DMI into the Work Associated Competencies, i.e. the wage assessment system is being integrated with the other client assessment and training processes.

Endeavour Industries continues to refine the wage assessment tool and is currently trialling a third draft of the revised tool.

22.8.6 Administrative and Cost Implications

The Endeavour Wage Assessment Tool has evolved over a long period of time and staff report that most of the problems have been resolved.

The process uses internal assessors. One day per week is allocated for one support worker to maintain the assessment system and some of the DSC's time is also used for this.

Endeavour changed its staffing structure to put dedicated support workers in place and considers that the system of providing basic training and behaviour management based on empirical data is more effective.

There is more paperwork as a result of the wage assessment process but Endeavour considers that this has helped in the transition to Case Based Funding. Additional funding received through Case Based Funding has enabled Endeavour to introduce progress note records.

22.8.7 Industrial Relations

The Endeavour Wage Assessment Tool is incorporated in an Enterprise Agreement and there has been worker, parent/advocate and union involvement in the development of the tool.

22.8.8 Links to Training

Assessment findings are used in the IPP process as a basis for goals and strategies. Most training is carried out on-the-job and workers may also enrol in accredited training through Endeavour Industries' own RTO enterprise based training programs which include the Apprenticeship and Traineeship Training Program.

Each Job Skill in the Endeavour wage assessment system is linked to a national competency standard. This enables the wage assessment data to be used in the assessment process for any individual undertaking a nationally recognised qualification. Some workers are enrolled in Certificate 2 or 3 courses.

22.8.9 Process for Disputing/Appealing the Outcome

Endeavour Industries has a well-publicised appeals process for wage assessment decisions. In the first instance, any appeal would be reviewed by a panel including

the DSC and the Human Services Manager and any other relevant and qualified person (for example, the Training Services Coordinator).

If the appeal is rejected, or the worker does not agree with the decision of the panel, the matter would be referred to an independent assessor contracted from an external organisation. Subsequent to this, if the appellant is still not satisfied with the result of the review, a formal complaint would need to be made in accordance with the Grievance and Complaints Procedure.

Workers are encouraged to seek support if required from an external advocacy service. To date, no worker has appealed a wage assessment decision.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Endeavour Wage Assessment Tool |
|---|--|
| Compliance with relevant legislation and standards | <p>The Endeavour Wage Assessment Tool is incorporated in the organisation's enterprise agreement.</p> <p>Quality audits against the Disability Services Standards in 2004 and 2005 have concluded that the Endeavour wage assessment process complies with the requirements of Disability Services Standard 9.</p> |
| Validity and Reliability | <p>The three main components of the Endeavour Wage Assessment Tool (Job Skills, Work Associated Competencies and Productivity assessment) are similar to those of other tools in common use. The Job Skills and Work Associated Competencies checklists are comprehensive and clearly documented, as is the summary that shows the total scores and productivity requirements for each wage level.</p> <p>The scoring system and its rationale are not as clear and this is an area where further development could occur.</p> <p>Assessment is conducted over a three-month period which avoids a 'snapshot' view of the worker's performance. Qualified Workplace Assessors from the Human Services section of the organization conduct the Job Skills and Work Associated Competencies assessments with input from a range of sources. The HR Manager provides a review function if required.</p> |
| Wage Outcomes | <p>Data provided by Endeavour Industries indicates that approximately 45% of workers have progressed to a higher wage level over their past 2 to 4 wage assessments.</p> <p>The 3 month hold-off period to obtain wage rises (and decreases) is not a common feature of other wage assessment tools and could be considered less favourable to workers than those systems that pay increased wages as soon as the required level of competency/productivity is demonstrated.</p> |
| Practical application of the tool | <p>The Endeavour Wage Assessment Tool has been specifically designed for the organization and the types of work that are performed. Staff report no problems in the practical use of the tool.</p> <p>Wage assessments are linked to the IPP process and aspects of the DMI are being integrated into the tool.</p> |
| Administrative and cost implications | <p>The tool is well-established and set up was completed some years ago (although reviews of the tool continue). Assessors from Endeavour Industries are used, so there is no cost for external assessors. The staffing structure has been changed to enable support worker positions to be dedicated to the task of maintaining the assessment system, in addition to some of the DSC's time.</p> <p>Although the wage system has generated more paperwork,</p> |

| | |
|--|---|
| | Endeavour representatives consider that this has assisted in the transition to Case Based Funding. |
| Industrial relations | The Endeavour Wage Assessment Tool is incorporated in the organisation's Enterprise Agreement. |
| Links to training | Links to the IPP process enable wage assessment findings to be used as a basis for individual goals and training programs. Each Job Skill in the wage assessment system is linked to a national competency standard. This enables wage assessment data to be used for workers undertaking nationally recognized training programs. |
| Process for disputing/appealing the outcome | There is a clearly documented appeals process for wage assessment decisions, in addition to the organisation's Grievance and Complaints Procedure. |

Conclusion

The Endeavour Wage Assessment Tool was developed prior to 2001, and was subsequently incorporated into the organisation's Enterprise Agreement and refined over the following years. The tool is based on the assessment of job skills, work associated competencies and also, at the higher wage levels, productivity.

Quality audits have determined that Endeavour's wage assessment process complies with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the *Good Practice Guide to Wage Determination* criteria. Assessment checklists are comprehensive and detailed.

When compared with other wage assessment tools that have been reviewed, the formula, process and rationale for scoring the Endeavour tool is more difficult to explain. The three-month hold-off period for wage rises could also be considered less favourable than the arrangements for other wage systems.

Analysis of the Endeavour Wage Assessment Tool against the *Good Practice Guide to Wage Determination* criteria suggests that the Endeavour Wage Assessment Tool, when implemented as described in section 1 of this document, satisfies the good practice criteria. Further development to address the issues raised in this review could increase the tool's comparative standing with other wage assessment tools.

Information Sources:

- Telephone Interview with Lorraine Mordue, Human Services Manager, Endeavour Industries Ltd
- Written information provided by Endeavour Industries and Australian Business Lawyers, including
 - *Endeavour Wage Assessment Tool* – History and Overview
 - Enterprise Agreement and Schedules – Wage Rates, Competency Framework, Relationship of Classifications and Assessments
 - Sample Job Skills Checklists
 - Sample WAC Checklists
 - Sample Productivity Calculator – Performance Standard Productivity Measure and Individual Productivity Measure
 - Sample Wage Cycle
 - Sample Employee Wage Assessment Calculator form
 - Extracts from QA Audit Reports
 - Appeals Procedure Flow Chart
 - Wage Outcome data
 - Endeavour Wage Tool Summary (of Job Skills scores, WAC and Productivity requirements for each wage level)

23. Description of the Wangarang Industries Wage Assessment Tool

23.1 Owner/Developer of the Tool

Wangarang Industries

23.2 Type of Tool

Hybrid (Productivity and Competency assessment)

23.3 Number of Business Services Using This Tool

One (Wangarang Industries)

23.4 History and Development of the Tool

The Wangarang Industries Wage Assessment Tool (WIWAT) was originally developed prior to the BSWAT and Wangarang Industries was involved in trialling early versions of the BSWAT. The original WIWAT was used for about 5 years and has since been further refined.

The WIWAT is a hybrid tool which introduced industry competency units as the basis for competency assessment. Productivity is calculated on the basis of comparison with the rates of non-disabled co-workers working at 100%.

The original WIWAT applies an adjustment factor for productivity and competency to the raw scores obtained from productivity and competency assessment. This adjustment factor had a 'dampening' effect particularly in respect of workers with lower productivity and has now been removed from a revised version of the tool.

Wangarang's analysis indicates that with embargo on any wage decreases, the application of this revised WIWAT would result in 31 of 81 workers receiving a wage increase (using current productivity and competency assessment data). In addition, only 3 workers would receive the minimum wage level under the revised tool, whereas 11 workers are currently in this situation. The revised tool has not yet been trialled but is ready for use in the next round of wage assessments due in February 2006.

Wangarang management considers that the increased weighting applied to productivity in the revised WIWAT (80% productivity:20% competency) is more reflective of the real world of business and recognises the value that workers generate through productivity.

Note that the following description of the content, structure and scoring methodology for the WIWAT relates to the revised version of the tool (not yet in use). Evidence cited from quality audit reports, Special Wage Permits approved by the Industrial Registrar, etc refers to the current version of the WIWAT.

23.5 Content and Structure of the Tool

The WIWAT has competency and productivity assessment components.

Competency Assessment

Each individual is assessed against nine competency units: four of these are *core* competency units and five are *industry specific* competency units.

The core competency units have been extracted from recognised Industry Training Packages and comprise:

- Quality (FDFCORQAS1A *Follow Work Procedures to Maintain Quality*);
- Occupational Health and Safety (MEM 1.2F *Apply Principles of Occupational Health and Safety*)
- Communication (FDFCORWCM1A *Communicate Work Place Information*); and
- Teamwork (LMTHRGNO2A *Work in a Team Environment*).

There are between 4 and 12 elements for every Unit of Competency. For example, the elements that are assessed for the *Quality Core Unit of Competency* are:

FDFCORQAS1A/01 Monitor Quality of Work:

- 1.1 Quality requirements are identified
- 1.2 Inputs are inspected to confirm capability to meet quality requirements
- 1.3 Work is conducted and monitored to produce required outcomes

FDFCORQAS1A/02 Identify and report unacceptable inputs and/or outputs:

- 2.1 Work area, materials, processes and product are routinely checked to ensure compliance with quality requirements
- 2.2 Unacceptable quality is identified and corrective action is taken within the level of responsibility to maintain quality standards
- 2.3 Quality variation is reported according to workplace reporting requirements

There is an Assessment Form for each Unit of Competency Assessment. These provide for the assessor's observation of whether the worker is *competent* or *not competent* in each of the competency elements for the Unit of Competency (e.g. for 1.1, 1.2, 1.3, 2.1, 2.2 and 2.3, in the Quality competency example above). The Assessment Form also includes a column for *3rd Party Confirmation of Knowledge and Performance* which is also rated as *competent* or *not competent*.

Sample Questions are provided on the Assessment Form. For example, the sample questions for the *Quality Unit of Competency* are:

What are the quality requirements of the job you are doing?

Who checks quality?

What do you do if there is a quality problem?

Each assessment form asks whether the person is competent on all steps (elements) with a *yes/no* response. The Assessment Form is signed by the Assessor, the 3rd Party and the worker/employee.

In addition to the four core Units of Competency, the individual is assessed against five industry specific Units of Competency (also sourced from endorsed Industry Training Packages). The revised WIWAT provides four clusters/sets of five units which reflect the

diverse nature of business conducted within Wangarang Industries. Each Business Service can select industry specific units to suit their business.

The samples provided for this analysis of the WIWAT were from the Metals and Engineering cluster and comprised:

- Manual Production Assembly (MEM 3.1A)
- Production Packaging (MEM 11.6A)
- Undertake Warehouse Despatch Process (MEM 11.14A)
- Use Hand Tools (MEM 18.1A A)
- Use Power Tool/ Hand Held Operations (MEM 18.2A A)

For example, the elements assessed for the *Manual Production Assembly* Unit of Competency are:

3.1A.1 Read and understand job sheets

1.1 Job sheets and instructions understood and followed correctly

3.1A.2 Select assembly equipment and components

2.1 Assembly equipment is selected and used in accordance with instructions or job sheets to standard operating procedures

2.2 Components/ sub assemblies are obtained and arranged for assembly

2.3 Equipment or tools are used in a safe manner

3.1A.3 Assembles components

3.1 Assembly produced following correct sequence of operations using selected equipment are appropriate to standard operating procedures

3.2 Records/inputs production data using standard operating procedure

3.1A.4 Performs tests

4.1 Assembly tested/checked for compliance with job sheet requirements using standard operating procedures as required

3.1A.5 Protects assembly from damage

5.1 Components and/or assembly are handled and stored in a safe manner least likely to cause damage using standard operating procedure.

As for the Core Competencies, the Assessment Forms for the Industry-Specific Units of Competency provide for assessor and third party confirmation of whether the worker is *competent* or *not competent*.

Sample Questions are also provided. For example, the sample questions for *Manual Production Assembly* are:

1. Tell me what you have to do with this job?
2. What equipment do you need?
3. What parts do you need? Where do you find these parts?

4. What safety precautions have to be taken when doing this job?
5. When you finish the job what do you need to write down?
6. What quality checks do you need to do with this job?
7. Tell me what the safety rules are in handling and storing this job?
8. What can happen if the job isn't handled or stored correctly?

Wangarang may develop additional descriptions/examples for some of the competency elements in the revised WIWAT to provide further information for assessors.

Productivity Assessment

Productivity data is collected continually through daily tally sheets. These productivity records are used for efficiency measurement for business management as well as for wage calculation.

The productivity level for each worker is determined by comparing their production against standard production benchmarks. These benchmarks are set using the rates of able-bodied co-workers working at 100%.

Individual productivity is measured over a 13-week period across a range of the different tasks which an individual performs in their job. An average productivity rate is then calculated. Using a 13-week period of productivity records removes anomalies and peaks/troughs that may occur due to differences in the complexity of different jobs, changes in the jobs required by customers, and individual worker issues such as days where work performance is below par.

Off-task time (e.g. time spent in training or off the work floor, etc) is subtracted from the productivity time so as not to penalise the worker.

Workers may be involved in the completion of their production tally sheets with or without assistance where able. The tally sheets are collected by the supervisor and collated against the 100% rate by administration.

The worker's productivity is measured by comparing the number of units the worker produces against the target (100% rate) number of units per hour. The productivity measure may be either the time taken to perform a task (e.g. for horticultural work) or units produced (e.g. for process work).

For costing purposes, benchmark timings for the 100% rate may be negotiated between Wangarang Industries and the customer for a particular production process. The target (100% rate) must be achievable by an able-bodied co-worker. For new products, Wangarang may set up a trainer and co-worker to time a productivity rate and then submit a quote on this basis to the customer.

23.6 Assessment Process

Wangarang Industries follows the steps listed below in completing their current wage assessment tool:

1. Competency assessment is carried out annually by qualified (Certificate IV) assessors. Competency is assessed by repeated observation of work performance by both the Trainer/Assessor and the Supervisor, together with questions to the worker to further assess their underlying knowledge and understanding. The worker's supervisor, or another third party, confirms the assessor's ratings for each competency element on the assessment form. The worker also signs the competency assessment.
2. At the same time, productivity readings (collected continually throughout the year) are averaged over a period of 13 weeks.
3. The results are entered by Administration staff onto a WIWAT spreadsheet which calculates the productivity rate by applying the percentages (see *Scoring and Wage Calculation* section below).
4. The WIWAT spreadsheet calculates the percentage of Award rate from the competency and productivity assessment data.
5. All wage outcomes must be reviewed and approved by the CEO.
6. Administration then prepares the documentation for Special Wage Permit application and registers these details with the Industrial Registrar.
7. The Industrial Registrar issues Special Wage Permits for workers to sign.
8. An external professional advocate is present with each worker at the signing of all Special Wage Permits. (The worker can sign the application at this meeting, decline to sign, or take the application away for further consideration.) Currently DIAS, a state advocacy service, provides the professional advocate.
9. An employee may request a wage review at any time, or query the results of the wage assessment process.
10. The organisation has a formal complaints procedure which can be activated by the employee in cases where they query the results of the wage assessment process, or when they have any other complaint about the process.

Workers are assessed on the pool of jobs that they work on. All workers are rotated through different jobs twice a day, so there is variety in the work that is performed and in the tasks on which each worker is assessed.

The wage assessment results also link in to the worker's Individual Vocational Plan (IVP). All issues identified in the assessment are discussed at the IVP meeting and parents, carers and/or an advocate may also be involved.

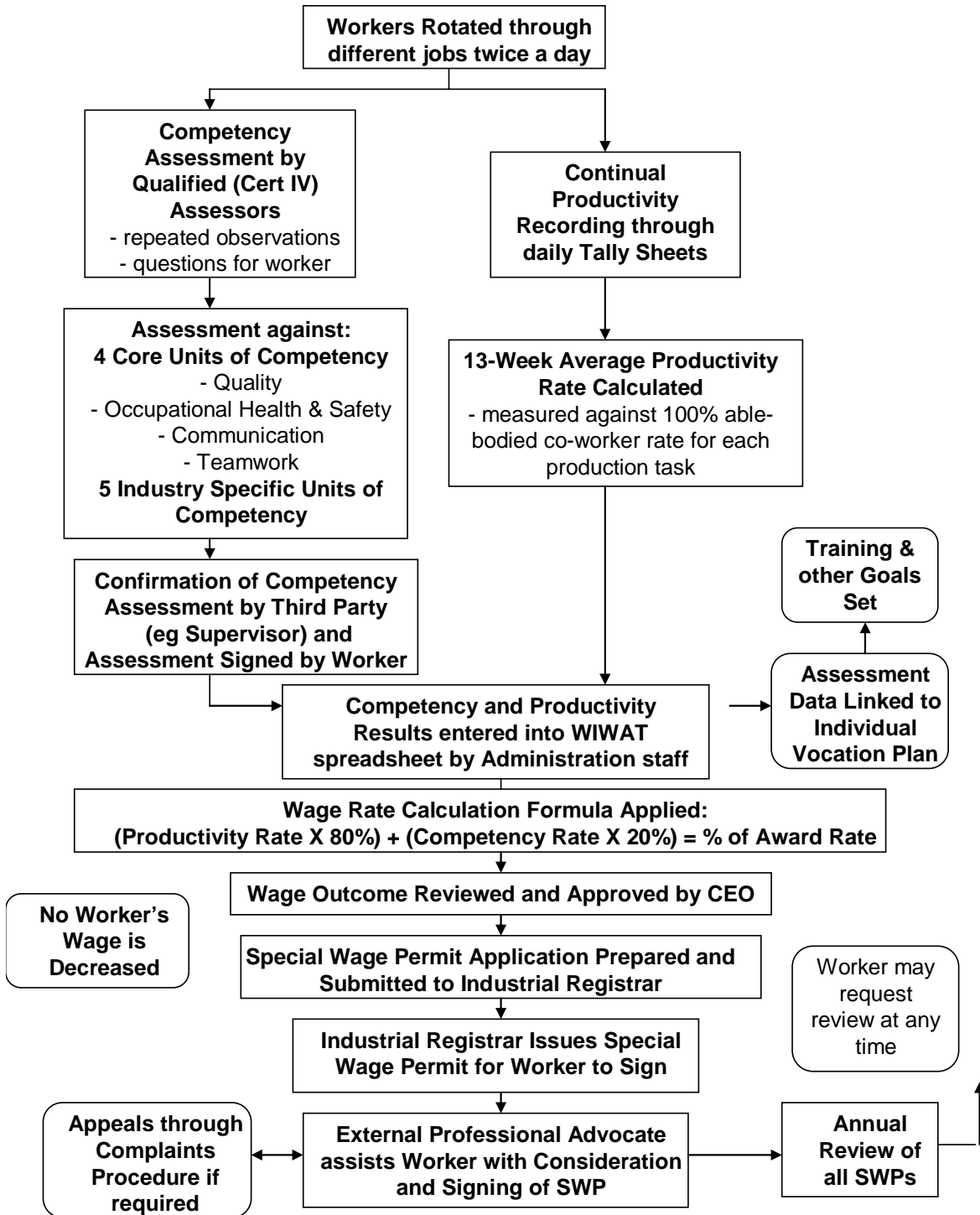
All Special Wage Permits are reviewed annually. In the event that a wage assessment indicates a decrease in a worker's competencies and/or productivity, the Industrial Registrar is notified of this but the worker's wage is maintained, i.e. no worker's wage is decreased.

New workers are commenced on a minimum wage. An initial wage assessment is conducted in the first 2 weeks and the wage may be adjusted if indicated. After 13 weeks a full wage assessment is conducted and a Special Wage Permit application is made.

A worker who consistently achieves 100% productivity is removed from the wage assessment process and placed on full Award wages.

The Wangarang Industries wage assessment process is summarised in the following diagram:

Summary of Wangarang Industries Wage Assessment Process



23.7 Scoring and Wage Calculation

Competency Scoring

All competency units are weighted equally at 10% for each unit. There is also 10% given for entry level competency, i.e. for meeting the initial requirements of the job. The total Competency score breakdown is therefore:

- 10% for entry level competency;
- 10% for each of 4 Core Competency Units (i.e. total of 40%); and
- 10% for each of 5 Industry Specific Competency Units (i.e. total of 50%)

This total competency score out of 100% is then weighted (see below) by 20%. This means that each Unit of Competency represents a maximum of 2% of the worker's total wage rate.

Within each of the ten Units of Competency, there are four bands of competence reflecting the percentage of elements of competency which are passed by the individual in the assessment process. Bands are used because the number of elements varies across the Units of Competency. The bands produce four possible score outcomes: 0%, 33.3%, 66.6% and 100% as follows:

- If a worker achieves between 0 and 33.3% of the elements of competency, the outcome is a competency rate of 0%.
- Once a worker achieves 33.3% of the elements of competency, the outcome is a competency rate of 33.3%.
- Once a worker achieves 66.6% of the elements of competency, the outcome is a competency rate of 66.6%.
- Once a worker achieves 100% of the elements of competency, the outcome is a competency rate of 100%.

So if there are 12 elements for a Unit of Competency and a worker achieves competency in one of these elements only (i.e. $1/12 = 8.3\%$), their score outcome would be 0% for this Unit of Competency. If the worker is assessed as competent in 4 elements of the Unit of Competency (i.e. $4/12 = 33.3\%$), their score outcome would be 33.3% for this Unit of Competency. The score outcome would still be 33.3% until the worker was competent in at least 8 of the elements (i.e. $8/12 = 66.6\%$) at which point the score outcome would become 66.6%.

For example, a worker might achieve the following scores for each Competency Unit:

- Entry Level Competency Unit: 100% (X 10% weighting = 10%)
- Quality Core Competency Unit: 33.3% (X 10% weighting = 3.33%)
- Occupational Health and Safety Core Competency Unit: 100% (X 10% weighting = 10%)
- Communication Core Competency Unit: 100% (X 10% weighting = 10%)
- Teamwork Core Competency Unit: 66.6% (X 10% weighting = 6.66%)

- Industry Specific Competency Unit 1: 100% (X 10% weighting = 10%)
- Industry Specific Competency Unit 2: 100% (X 10% weighting = 10%)
- Industry Specific Competency Unit 1: 66.6% (X 10% weighting = 6.66%)
- Industry Specific Competency Unit 1: 66.6% (X 10% weighting = 6.66%)
- Industry Specific Competency Unit 1: 33.3% (X 10% weighting = 3.33%)

This worker's total Competency score would therefore be:

$10\% + 3.33\% + 10\% + 10\% + 6.66\% + 10\% + 10\% + 6.66\% + 6.66\% + 3.33\% = 76.6\%$

Productivity Scoring

A productivity percentage rate is determined by averaging the worker's productivity rate (production as percentage of benchmark rate) over a number of tasks across a 13 week period.

For example, if a worker produces 90 units in 2 hours (i.e. 45 units per hour), when the 100% rate is 200 units per hour, the worker's productivity rate is $45/200 = 22.5\%$. Wangarag expresses this in the form of *standard hours* and *actual hours*, i.e. the actual hours taken by the worker to produce the number of units produced vs the standard hours that would be required to produce the same number of units if the worker was producing at the 100% rate. In the example above, the worker produced 90/200, i.e. 0.45 *standard* hours in 2 *actual* hours, so their productivity is $0.45/2 = 22.5\%$

Daily production tally sheets are summarised onto Weekly Productivity Summary sheets. Workers' productivity rates over a designated 13 week period are then input into a 13 week summary and each worker's average productivity is then used as the basis for their wage assessment.

Combining the Competency and Productivity Scores

The percentage of award rate to be paid is calculated by applying an 80% weighting to the worker's productivity rate and a 20% rating to the worker's competency level, i.e.

$(\text{Worker's Productivity \%} \times 0.80) + (\text{Worker's Competency \%} \times 0.20) = \text{\% of Award Rate to be paid}$

For example a worker with Productivity assessed at 40% and Competency assessed at 76.6% would receive:

$(40 \times 0.80) + (76.6 \times 0.20) = 32 + 15.3 = 47.3\%$ of the Award Rate

23.8 Good Practice Guide to Wage Determination Criteria

23.8.1 Compliance with Relevant Legislation and Standards

Wage rates are linked to industrial Awards. Assessed wages are approved by the Industrial Registrar through the issuing of Special Wage Permits. It is envisaged that this process will be replaced by the introduction of an Enterprise Agreement at some time in the future.

Quality certification and surveillance audit reports against the Disability Services Standards (Benchmark Certification, 2003 and 2004) note that wages are linked to various awards, industry competency standards are used, the assessment process is conducted with full consultation of the employees, employees have the opportunity to progress to higher levels of pay, and there is evidence that wages have increased over the years. The most recent Quality Assurance surveillance audit report (Benchmark Certification, 2005) noted that the wage adjustment calculation needed to be reviewed to ensure complete transparency of the process. The revision of the tool has responded to this. All DSS quality audit reports have rated the wage assessment process as compliant against KPI 9.1 of the Disability Services Standards.

23.8.2 Validity

The tool draws its competencies from endorsed Industry Training Standards and productivity is measured using recognised methods. The 13 week timeframe of productivity assessment, the structured procedures for productivity assessment, and the variety of tasks over which workers are assessed also maximise the accuracy and fairness of the productivity assessment.

It is a requirement that the wage assessment is conducted by qualified assessors.

Wangarang cites the signing of Special Wage Permits by the Industrial Registrar as further proof of the validity of its wage assessment tool and process.

The 80:20 weighting of productivity and competency recognises both the contribution of workers to the production output of the business and the competencies that they bring to the jobs that they perform.

23.8.3 Reliability

Competency assessment is conducted by qualified assessors and a third party confirms the assessment of each competency element. Assessment results are also reviewed by the CEO. The four certified workplace assessors meet monthly to review all facets of training and assessment.

The multiple elements assessed ensure that each individual competency element contributes less than 1% of the total wage rate (e.g. 70 competency elements represent 18% of a worker's wage).

The productivity assessment is clear and transparent. Workers can see their daily productivity tally record sheets and may assist with completing these. The 13

week timeframe for productivity assessment minimises the impact of any day to day aberrations in worker performance.

23.8.4 Wage Outcomes

The revised version of the WIWAT has not yet been applied. Modelling of predicted wage outcomes using existing competency and productivity assessment data suggests that 31 of 81 employees would receive an increase in pay when the revised WIWAT is implemented. With a policy of no wage decreases for existing employees, the other workers would continue to receive their existing wage. (Note that 57 of the 81 employees already receive higher wages than the level assessed for them using the current WIWAT tool). In addition, only 3 workers would receive the minimum rate of pay using the revised tool, whereas 11 are at this wage level using the current tool.

Wangarang Industries considers that the 80:20 ratio applied to productivity:competency levels is more favourable than a 50:50 weighting in terms of both fair wage outcomes and commercial considerations.

The use of bands/ levels of competency also enables workers to receive wage recognition for partial achievement of Units of Competency where some other wage systems require full competence on all aspects of a skill or task before this is recognised for wage assessment purposes.

A plain English explanation of the wage assessment system and the link between competency assessment, training and wages is provided for workers in the Wangarang Industries Employee Handbook.

23.8.5 Practical Application of the Tool

The revised WIWAT is reportedly very similar to the original with the revised tool being simpler and more transparent. Wangarang management expects that the revised tool will therefore be easier to use than the current version.

Wangarang describes the WIWAT as highly transparent and transportable. The core competency units, for example, are sufficiently generic to be applicable across a variety of industries. The industry-specific competency units can be selected to suit the needs of a particular workplace.

23.8.6 Administrative and Cost Implications

As productivity is measured for general business management purposes and this is done throughout the year, there is no additional cost for the productivity assessment component of the WIWAT.

Competency assessment is utilised for both wage calculation and the identification of training goals, i.e. this process would also occur even without wage assessment. It is estimated that competency assessment requires approximately 3 hours of staff time per year for each worker.

The administration time required for calculation of wages and preparation of wage assessment documents is less than one hour per year for each worker.

A procedure manual would need to be prepared for other services to use the tool. Wangarang already has summary procedures but at this stage there is not a comprehensive manual that describes the whole wage assessment procedure and scoring methodology for the revised WIWAT in the detail that would be required for a new user.

23.8.7 Industrial Relations

Wangarang Industries does not have an enterprise agreement but makes applications to the Industrial Registrar for Special Wage Permits on behalf of each of its supported employees. Evidence from the wage assessment process is forwarded to the Industrial Registrar to support the final wage calculation.

It is envisaged that the Special Wage Permits may be replaced by an enterprise agreement at some point in the future.

23.8.8 Links to Training

The performance of all Wangarang employees is measured against industry competency standards and this forms the basis for competency-based training. The Individual Vocational Planning process integrates assessment and training in the formulation and review of training plans and establishment of annual employment goals. The use of competency-based assessment against established industry standards in the WIWAT provides a direct link between the wage assessment tool and training.

Wangarang Industries places a strong emphasis on training and has won a major state Training Award, been a finalist in the National Training Awards, is cited for best practice in the FaCS Continuous Improvement Handbook, and has worked in partnership with major customers to provide recognised industry training for workers with disabilities.

23.8.9 Process for Disputing/Appealing the Outcome

Wangarang has a formal complaints procedure which can be used by employees wishing to challenge the results or process of wage assessment. A plain English explanation of this procedure is provided in the Employee Handbook.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Wangarang Industries Wage Assessment Tool |
|---|---|
| Compliance with relevant legislation and standards | <p>Wage rates are linked to industrial awards with assessed wages approved through Special Wage Permits.</p> <p>Quality audit reports indicate that the current wage tool complies with the requirements of Disability Service Standard 9. The revised version of the tool (yet to be implemented or quality audited) aims to address improvements suggested by the quality audit process.</p> |
| Validity and Reliability | <p>The competencies used in the wage assessment tool are sourced from endorsed Industry Training Standards and productivity is measured over a 13-week timeframe over a variety of tasks. The productivity assessment process is transparent and workers may be involved in recording their own daily productivity.</p> <p>The wage assessments are conducted by qualified wage assessors and assessment ratings are confirmed by a third party (usually the worker's supervisor). There have been no formal studies of inter-rater reliability for the tool but assessors meet monthly to discuss assessment issues.</p> |
| Wage Outcomes | <p>The revised version of the wage assessment tool has not yet been implemented but projections using current assessment data indicate that 38% of employees would receive a wage increase using the revised tool.</p> <p>Workers can achieve wage recognition for <u>partial</u> achievement of Units of Competency.</p> <p>Wangarang Industries has a policy that no existing employees will have their wages decreased regardless of wage assessment results.</p> |
| Practical application of the tool | <p>The wage assessment tool has been designed for Wangarang Industries' requirements. Wangarang Industries describes the revised wage assessment tool as very similar but simpler and more transparent than the current tool. It is anticipated that the revised version will be easier to use.</p> <p>The core competency units are sufficiently generic to be applicable across a variety of industries and the industry specific competencies can be selected to suit workplace needs. The productivity assessment method is also transferable to other worksites.</p> |
| Administrative and cost implications | <p>Internal assessors are used, so there are no external assessment costs.</p> <p>Productivity is measured for general business purposes and competency assessment is also used for training and goal setting. These processes would therefore still occur even in the absence of wage assessment.</p> |

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| | <p>Productivity is monitored continually and there is no additional cost for wage assessment purposes. It is estimated that competency assessment requires approximately 3 hours of staff time per worker per year and administration time required for wage assessment purposes is less than one hour per worker per year.</p> <p>At present, there is no procedure manual that comprehensively describes the revised wage assessment process and scoring methodology and such documentation would need to be developed if other services were to use the tool.</p> |
| Industrial relations | <p>Special Wage Permits approved by the Industrial Registrar are currently used. It is envisaged that an Enterprise Agreement may be negotiated at some point in the future.</p> |
| Links to training | <p>The use of competency-based assessment against established industry standards provides a direct link between the WIWAT and training. The Individual Vocational Planning process uses wage assessment information in the formulation and review of training plans and employment goals. Wangarung Industries workers are provided with access to recognized industry training.</p> |
| Process for disputing/appealing the outcome | <p>Wangarung Industries has a formal complaints procedure and a plain English explanation of this procedure is provided in the Employee Handbook.</p> |

Conclusion

The Wangarang Industries Wage Assessment Tool (WIWAT) has been in use for several years and a revised version of the tool has recently been developed. This revised version is due to be implemented from February 2006.

Currently, Special Wage Permits are used for approval of workers' wages. Wages are linked to industrial awards and the wage assessment tool uses recognized industry competencies and productivity assessment methods. The current tool has been quality certified as complying with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the *Good Practice Guide to Wage Determination* criteria.

Suggestions for improvement to the WIWAT have led to the revised version of the tool. The revised version is similar to the current version but omits an adjustment factor and is reportedly simpler and more transparent than the current tool.

Analysis against the *Good Practice Guide to Wage Determination* criteria suggests that the revised version of the Wangarang Industries Wage Assessment Tool, when implemented as described in section 1 of this document, would satisfy the good practice criteria. Evaluation of the revised version of the tool after implementation, including quality audit against the Disability Services Standards, will be required to ensure that the tool in practice meets the outcomes that have been forecast.

Information Sources:

- Telephone Interview with Marc Bonney, CEO, Wangarang Industries Ltd and further discussion with Frances Shannon, Manager Support and Development Services
- Written information provided by Wangarang Industries, including
 - *Wangarang Industries Wage Assessment Tool: A snapshot of the tool*;
 - Comparisons of actual pay rates for original tool and revised tool;
 - Sample Competency Assessment forms for 9 units of competency in the Metals and Engineering Section;
 - WIWAT wage calculation spreadsheet;
 - *Procedures for use of the WIWAT* (2 page summary);
 - *Description of Features of the WIWAT* (Link between WIWAT and Training; Validity, Reliability, Transparency, Applicability);
 - IVP Goal Summary Form
 - Evidence of Supervisor sign-off on competency;
 - Raw Productivity Tally Sheet;
 - Tally Sheet explanation;
 - Weekly Productivity Summary;
 - Average Productivity over 13 weeks summary;
 - Extract from DSS QA report: 2003 Certification Audit (Benchmark Certification);

- Extract from DSS QA report: 2004 Surveillance Audit (Benchmark Certification);
- Quote from DSS QA report: 2005 Post-Certification Audit (Benchmark Certification)
- Plain English Explanation of Wage Assessment Process from Employee Handbook
- Plain English Explanation of Complaints Procedure from Employee Handbook.

24. Description of the Bedford Employee Wage Tool

24.1 Owner/Developer of the Tool

Bedford Industries Incorporated

24.2 Type of Tool

Hybrid (Productivity and Competency assessment)

24.3 Number of Business Services Using This Tool

One (Bedford Industries)

24.4 History and Development of the Tool

Bedford's wage assessment process originated with a job-skill competency based method where job skills were categorised into five levels.

An Enterprise Agreement for Bedford's employees who have a disability was ratified in 2003 and this included a system of wage assessment which remains current until the expiry of the Enterprise Agreement in early 2006.

The current Bedford Employee Wage Tool (BEWT) involves the assessment of generic work competencies, specific work/job skill competencies and productivity. Employees' jobs are classified at one of five levels depending on the complexity, judgement and initiative required. The scores for each of the three wage assessment components are multiplied to produce a percentage of the Award to be paid.

A minimum and maximum percentage amount is set for each of the five job levels based on the relative work value for each level. Under the current Enterprise Agreement, these minimum and maximum percentages are as follows:

- EC (Commencement Level paid to employees at commencement): 10%
- Level 1 (Single step tasks or skills): 12.5% - 15%
- Level 2 (Simple routine tasks/skills): 13.5% - 25%
- Level 3 (Tasks involving some precision): 15% - 30%
- Level 4 (More complex tasks, some judgement needed): 17.5% - 40%
- Level 5 (Tasks with judgement and initiative): 25% - 100%

Note that there is an overlap between the wage ranges for each level. This means that an employee performing well in lower-skilled job tasks can achieve a higher wage level than an employee not performing quite as well in a higher-skilled job.

Negotiations for the next Enterprise Agreement, to be lodged in early 2006, have resulted in proposed revisions to the wage assessment process which would further enhance the wage outcomes for employees. While the basic principles of the current wage assessment tool would remain, the maximum percentages payable for each of the five job levels would be increased. The new wage percentage ranges for each level would be as follows:

- EC (Commencement Level): 10%

- Level 1: 12.5% - 20%
- Level 2: 13.5% - 30%
- Level 3: 15% - 50%
- Level 4: 17.5% - 75%
- Level 5: 25% - 100%

The revised wage assessment process/tool that will be submitted as part of the Enterprise Agreement to be lodged with the South Australian Industrial Relations Commission, is described in more detail in the sections below.

Note that all references to 'employees' in this description relate to employees who have a disability and have been endorsed by Centrelink.

24.5 Content and Structure of the Tool

The Bedford Employees Wage Tool (BEWT) has three assessment components:

- Generic Competencies;
- Work Skills (job-specific competencies); and
- Productivity.

Generic Competencies

Four generic competency aspects are assessed:

- Safety;
- Communication;
- Support Needs; and
- Work Habits

The assessment items are drawn from the following national competencies:

- BSBCMN106A *Follow Workplace Safety Procedures*;
- BSBCM103A *Apply Basic Communication Skills*;
- BSBCMNQ102A *Complete Daily Work Tasks*; and
- BSBCMN101A *Prepare for Work*.

For example, the Generic Competency items assessed in the area of *Safety* are:

- A1 - Recognises and reports hazards in the workplace
- A2 - Reports accidents/incidents as soon as possible
- A3 - Understands SOPs and follows safety procedures when doing a task
- A4 – Knows when equipment/tools are unsafe
- A5 – Safety (protective) clothes/equipment identified and used correctly
- A6 – Abides by safety signs
- A7 – Uses correct lifting/manual handling techniques

- A8 – Basic safety checks on equipment are undertaken prior to use
- A9 – Knows the dangers of others being too close when using equipment
- A10 – Keeps work area free of obstacles
- A11 – Handles chemicals/substances safely
- A12 – Follows emergency evacuation procedures
- A13 – Knows/follows smoking policy

Employees are allocated scores for each of the 4 Generic Competencies using the following scale:

- Competent/No Support or Assistance: 25 points;
- Not Yet Competent (Occasional Support/Prompts Needed): 10 points;
- Not Yet Competent (Frequent Support/Prompts Needed): 5 points;
- Continual Support/Prompts/Reminders Needed: 0 points.

This results in a total percentage score out of 100 for Generic Competencies.

For the purposes of wage assessment, 'Support' is defined as *any assistance, direction, prompting or guidance, additional to that which would reasonably be expected to be provided to a Centrelink endorsed employee in order to assist them carry out their work or responsibilities, given the nature of their disability.*

There are also a number of plain English questions relating to the Generic Competencies that the assessor can ask the employee in order to confirm competency. The questions can supplement the observations and other information that is used to determine competency. For example, questions for the area of safety include:

- *What would you do if you noticed something unsafe at work?*
- *What do you need to do if you hurt yourself at work?*
- *What sort of hazards/things would make your work area unsafe?*

Work Skills

Each employment position has a set of competencies. These competencies are consistent with relevant National Competencies and are in accordance with the five Job Level categories described in *History and Development of the Tool* above.

For example, the Work Skills for Level 1 in the Machine Shop work area are:

- 1.1 Tailing Out on Machinery
- 1.2 General Housekeeping (Broom, Shovel)
- 1.3 Platform Ladder

At Level 5, the Work Skills for this area are:

- 5.1 Biesse Flow Thru with Stacker
- 5.2 Machine Set Up (Set Guards, Jigs, Heights of Blocks, Tension, Change Bits)

- 5.3 Minor Maintenance On Equipment
- 5.4 New Giben Saw
- 5.5 Conveyor Operation
- 5.6 Forklift Duties: - General –Relocate Pallets, Daily Check, Self Dump Bins etc; Kermit – Small Green Forklift (Electric); Large Forklift Number 6

A percentage score is calculated for Work Skills based on the proportion of job tasks (for the employee's position and Job Level) in which the employee is competent. The employee is considered to be competent in a job task if they are able to complete the task well with no support or only occasional support.

Productivity

The employee's productivity for the work undertaken in their position is compared with an able-bodied rate or industry standard to determine their productivity percentage. Depending on the nature of the job, productivity may be assessed over more than one trial. Productivity is measured for a sample of the tasks that the employee undertakes most of the time, i.e. those tasks that the employee is most used to doing.

Assessment results are recorded on a Training and Performance Review form and the employee's wage rate is calculated on an Employee Wage Review Sheet.

24.6 Assessment Process

Wage assessment occurs as part of the *Training and Performance Review* that is undertaken for each employee. These reviews occur six-monthly, although in exceptional circumstances (e.g. a long-standing employee in a long-term job), the review period may be extended to 12 months.

Each wage assessment is conducted by at least two staff: internal supervisory/training staff, in conjunction with the relevant Personnel Officer for the work area. At least one of the assessors must hold Certificate IV in Workplace Training & Assessment.

The assessors use the items and questions listed on the Training and Performance Review form as well as information from Training Checklists and Operating Procedure forms to determine the employee's level of competence for each of the Generic Competencies and Work Skills associated with the employee's Job Level. Productivity is also assessed at this time.

A Review Meeting is held with the employee, their advocate/parents (if the employee requests this), the Personnel Officer for the work area and where possible, the employee's Trainer/Supervisor. At the Review Meeting, the assessment results and wage outcome are discussed, as well as opportunities for the employee to increase their wage. New training and employment goals are set.

Following the Review Meeting, the assessment results are checked and approved by two Corporate Human Resource staff. These staff also undertake periodic audits of assessments to monitor the accuracy and consistency of the assessments. A notification of wage outcome is then provided to the employee and the Pay Office and the employee's wage is adjusted if indicated.

The current agreement at Bedford is that no employee's wage is decreased, even if their work skills decline or they move to a lower level job.

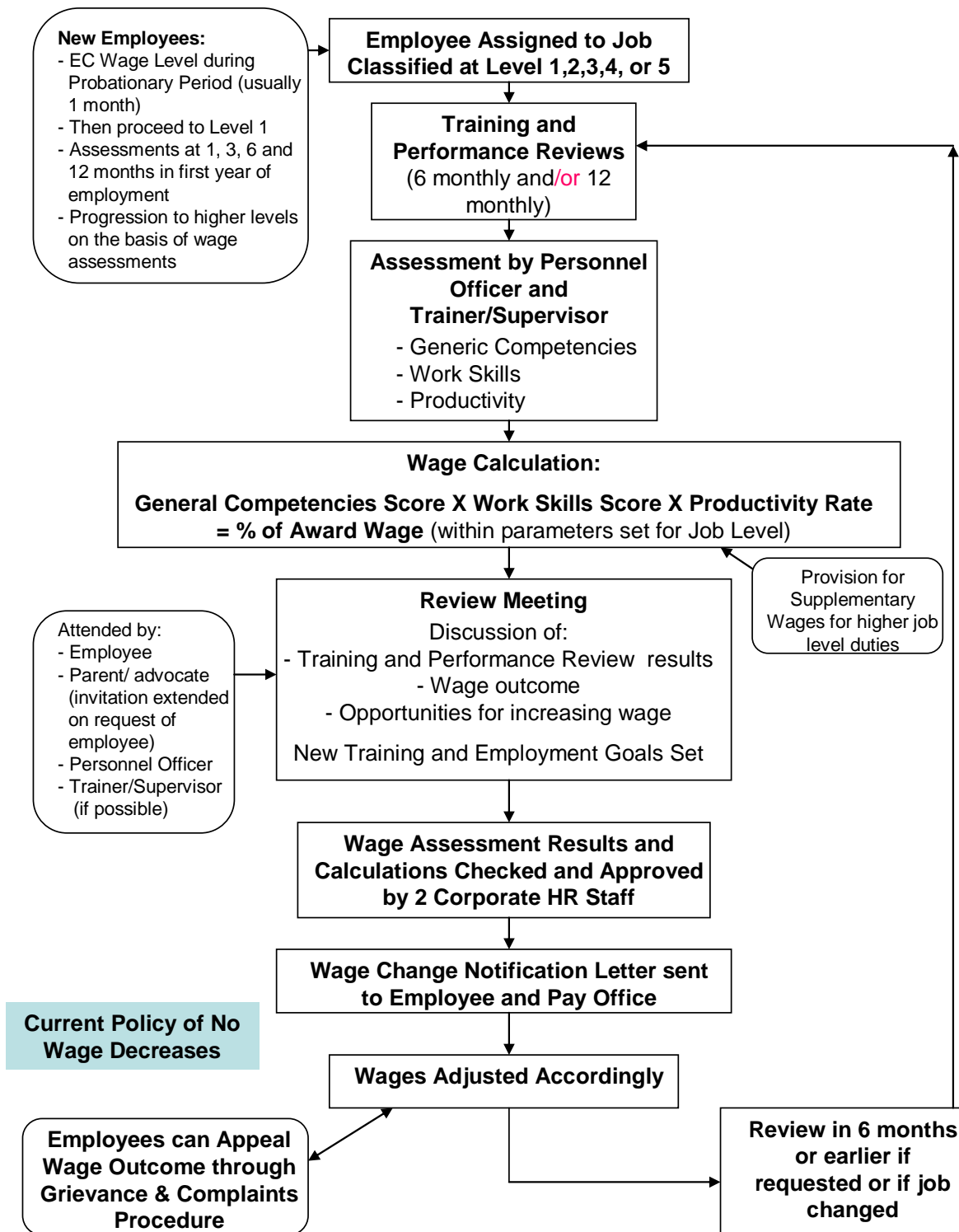
New employees receive the EC Level of pay during the probationary period which is usually 1 month. Their pay can then increase to a subsequent level once a formal wage assessment is completed. Reviews are conducted at 1 month, 3 months, 6 months and 12 months in the first year of employment, providing further opportunities for wage progression.

Employees can request a wage review at any time and an unscheduled review may be arranged, for example, if the employee changes to a higher level job or changes department area.

Employees can appeal a wage assessment outcome through the Grievances and Complaints Procedure which is incorporated in the Enterprise Agreement and documented in standard and plain English formats in the organisation's Human Resource Manual.

The Bedford Industries wage assessment process is summarised in the following diagram:

Summary of the Bedford Industries Wage Assessment Process



24.7 Scoring and Wage Calculation

Scoring of Generic Competencies

Each of the four generic competencies (Safety, Communication, Support Needs and Work Habits) is allocated points based on the following scale:

- Competent/No Support or Assistance: 25 points;
- Not Yet Competent (Occasional Support/Prompts Needed): 10 points;
- Not Yet Competent (Frequent Support/Prompts Needed): 5 points;
- Continual Support/Prompts/Reminders Needed: 0 points.

(Note that this rating scale will be revised for the new Enterprise Agreement and it is expected that this will result in increased points for employees who fit between the current ratings.)

The scores are added to produce a point score out of 100 for generic competencies.

Scoring of Work (Job-Specific) Skills

A point score out of 100 is allocated based on the proportion of job skills that the employee is competent in at their job level. For example, if there are 10 job skills and the employee is competent in 8 of these, their point score would be 80%.

Under the revised Bedford Employee Wage Tool, an employee will be considered competent in a job skill if they can perform the skill well with no or only occasional support.

Any skills at the job level that are not needed for the employee's job are not included in the score calculation.

Productivity Score

A productivity score out of 100 is calculated based on the employee's productivity output compared against an able-bodied rate or industry standard for their job task(s). For example, if the employee produces 40 units in one hour and the able-bodied rate is 80 units in one hour, the employee's productivity score/rate would be 50%.

Calculating the Total Wage Assessment Score

An employee's Total Score is calculated by multiplying the three score components. i.e.

Generic Competencies Score X Work Skills Score X Productivity Rate = Total Score

For example, an employee who achieved a Generic Competencies Score of 60%, a Work Skills Score of 70% and a Productivity Score of 40% would have a Total Score calculated as follows:

$$0.60 (60\%) \times 0.70 (70\%) \times 0.40 (40\%) = 16.8\%$$

Translation of the Total Score to a Wage Grade

Firstly, the Total Score percentage is checked against the minimum and maximum parameters for the employee's job level. If our example employee is working at Level 2, 16.8% falls within the range of specified rates for that level (i.e. between 13.5% and 30%). If an employee's Total Score was less than the minimum rate for their job level, then the minimum rate would apply. Conversely if the employee's Total Score was more than the maximum rate for their job level, the maximum rate would apply.

There are 20 Wage Grades (A, B, C etc. through to T). The rates of pay for each Wage Grade are based on the Federal Minimum Award Wage as determined by the Australian Industrial Relations Commission. The employee's wage assessment Total Score is translated to the relevant wage grade. The minimum Wage Grades and rates of pay for each Job Level are shown below:

- EC: Wage Grade A (Minimum \$1.38/hour or 10% of the relevant award, whichever is the higher)
- Level 1: Wage Grade B (Minimum \$1.72/hour or 12.5% of the relevant award, whichever is the higher)
- Level 2: Wage Grade D (Minimum \$1.86/hour or 13.5% of the relevant award, whichever is the higher)
- Level 3: Wage Grade F (Minimum \$2.07/hour or 15% of the relevant award, whichever is higher)
- Level 4: Wage Grade H (Minimum \$2.41/hour or 17.5% of the relevant award, whichever is higher)
- Level 5: Wage Grade J (Minimum \$3.45/hour or 25% of the relevant award, whichever is higher)

Wage rates are subject to National or State wage decisions and in the event that there is no such wage increase in any year, a 4% increase will apply by default.

The wage system also provides for the payment of Supplementary Wages where an employee undertakes any higher level task for more than 20% of his/her time.

24.8 Good Practice Guide to Wage Determination Criteria

24.8.1 Compliance with Relevant Legislation and Standards

The current wage assessment tool is incorporated in the organisation's Enterprise Agreement which was approved by the Industrial Relations Commission of South Australia in 2004. The revised version of the BEWT will be included in the next Enterprise Agreement which will be submitted to the Industrial Relations Commission (SA) in early 2006.

The most recent quality audit reports indicate that the current wage assessment process complies with Standard 9 of the Disability Services Standard. The revised

version of the tool will be very similar to the current tool but will increase the maximum wages for each Job Level.

24.8.2 Validity

The BEWT is based on three recognised measures for wage assessment, i.e. generic/core competencies, job-specific competencies and productivity. The competencies assessed by the BEWT are sourced from national competencies. Productivity is measured by comparison against an able-bodied rate or, in some situations, against an industry standard.

24.8.3 Reliability

Bedford has conducted a reliability trial for the current version of the BEWT. This involved the assessment of 30 employees in a range of Job Levels by three staff who conduct wage assessments. A consistency of 96% was reported in the resultant wage outcomes, i.e. in 95 of the 99 wage outcomes generated by the three assessors the assessed wage rate was consistent with those of the two other assessors.

Bedford management forecasts that the proposed revision of the rating scale for competency assessment will further increase the inter-rater reliability of the tool.

24.8.4 Wage Outcomes

As the revised version of the BEWT provides increases in the maximum wage rates for each Job Level, the wage outcomes for employees should be improved under this revised tool.

The wage structure used for the BEWT is linked to Award rates of pay and allows for employee progression to 100% of the Award rate.

Quality audit reports indicate that employees have a reasonable understanding of the wage assessment process and that the system is perceived as fair. For example:

“Consumers interviewed had a reasonable understanding of how wages are calculated and the recent changes to pay structures. Some had received increases in their wages and were aware of how further up-skilling could lead to more pay. Supported employees felt the new system was fair.” (*DSC Surveillance Audit Report*, March 2005, SAI Global Assurance Services)

24.8.5 Practical Application of the Tool

The BEWT is integrated with Bedford’s Training and Performance Review process and has been designed to suit the organisation’s business and employees.

Bedford management describes the BEWT as ‘easy to explain to employees’.

24.8.6 Administrative and Cost Implications

Internal assessors are used so there are no external costs of assessment.

Initial set-up of the BEWT was completed through the first Enterprise Agreement in 2004 and further refinement of the tool is now occurring through the second EA.

As the wage assessment process is integrated with the Training and Performance Review, there are no separate cost or time estimates for the wage assessment process.

24.8.7 Industrial Relations

The Bedford Employees Wage Tool is incorporated in the organisation's current Enterprise Agreement and the revised version of the tool will be submitted with the next Enterprise Agreement.

Negotiation of the Bedford Industries Enterprise Agreements has involved representatives of several unions, including the CFMEU and the ALHMWU. Deputy President Hampton of the Industrial Relations Commission (SA) commended Bedford: ". . . for the manner in which it has integrated the enterprise bargaining concept into the ongoing process of informing, involving and recognising the Centrelink endorsed employees within the organisation." (Bedford Industries Employee Enterprise Agreement 2003: Judgement of Deputy President PJ Hampton, para 42, File No. 9102 of 2003, 30 March 2004, Industrial Relations Commission, South Australia)

Bedford Industries has an Employee Consultative Committee (ECC), including representatives of employees with disabilities from each work area. The ECC is informed of the status of wage reviews and a formal review of the status of the wage assessments is to be provided to the committee twelve months from the date of approval of the Enterprise Agreement..

24.8.8 Links to Training

Wage assessment is linked to training through the Training and Performance Review process of which the wage assessment is an integral part. Training and employment goals are set as part of this review.

Many Bedford employees are also provided with access to accredited training programs.

24.8.9 Process for Disputing/Appealing the Outcome

The Enterprise Agreement contains a Grievance/Complaints clause and this is reflected in standard and Easy English versions of a Grievance/Complaints Procedure in the organisation's Human Resource Manual. The final arbiter for any unresolved complaint or grievance is the Industrial Relations Commission.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Bedford Employee Wage Tool |
|---|--|
| Compliance with relevant legislation and standards | <p>The current wage tool is incorporated in the organisation's Enterprise Agreement. The revised version of the tool, as described in this analysis, will be presented to the Industrial Relations Commission of South Australia for consideration as part of the next Enterprise Agreement.</p> <p>The latest quality audits against the Disability Services Standards since 2003 have determined that the Bedford Industries wage assessment process complies with the requirements of Disability Services Standard 9.</p> |
| Validity and Reliability | <p>The Bedford Employee Wage Tool is based on three recognized measures for wage assessment, i.e. generic/core competencies, job-specific competencies and productivity. National competencies have been used in developing the tool.</p> <p>Two personnel conduct each wage assessment, one of whom must be qualified in Certificate IV Workplace Training and Assessment. Other Human Resource personnel also review the wage assessment results.</p> <p>The current version of the tool has been subject to inter-rater reliability testing with good results.</p> <p>Wage assessment documentation and forms will need to be updated to account for the proposed revisions to the tool. Testing of the new version of the tool would confirm whether inter-rater reliability has been improved or maintained with the revisions.</p> |
| Wage Outcomes | <p>Wage outcomes are reported to have improved since the wage tool was introduced. Proposed revisions to the tool are forecast to further improve wage outcomes by increasing the maximum wage payable at each of the five wage levels and by revising the ratings used to assess competencies.</p> <p>Monitoring of wage records data could demonstrate if this effect is achieved.</p> |
| Practical application of the tool | <p>The wage assessment tool is integrated in Bedford's Training and Performance Review process and no difficulties are reported in its use. The Job Skills competencies and other components are designed to suit Bedford's work situation.</p> |
| Administrative and cost implications | <p>Set up of the tool included selection of generic and job-specific competencies and the grading of job levels and was completed as part of the organisation's first Enterprise Agreement.</p> <p>Internal assessors are used. There is no separate cost or time estimate for wage assessment as this occurs in conjunction with Training and Performance reviews.</p> |

| | |
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| Industrial relations | <p>There is evidence that Bedford Industries has undertaken a comprehensive consultation process with its employees and the relevant unions to develop and introduce the wage assessment process.</p> <p>The proposed revisions to the tool will be subject to ratification by the Industrial Relations Commission of South Australia as part of Bedford's next Enterprise Agreement (due for introduction in early 2006).</p> |
| Links to training | <p>The wage assessment links to training through the Training and Performance Review process which includes the setting of training and employment goals. Bedford reports that many employees access accredited training programs.</p> |
| Process for disputing/appealing the outcome | <p>Bedford Industries has a Grievance/ Complaints procedure which is documented in both standard and Easy English versions.</p> |

Conclusion

The current version of the Bedford Employee Wage Tool has been in place since the implementation of the organisation's first Enterprise Agreement in 2003. The tool assesses generic competencies, job-specific work skills and productivity and has been designed for Bedford's work situation.

The current tool has been endorsed as part of an Enterprise Agreement and quality certified as complying with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the *Good Practice Guide to Wage Determination* criteria.

The Enterprise Agreement is now due for renewal and some revisions are proposed to the wage tool. It appears that these revisions would not change the basic structure or principles of the tool but would enable improved wage outcomes for employees.

Analysis of the tool (with the proposed revisions) against the *Good Practice Guide to Wage Determination* criteria suggests that the revised Bedford Employee Wage Tool, when implemented as described in section 1 of this document, would satisfy the good practice criteria. This would be conditional, however, on endorsement/ approval of the revised tool by the Industrial Relations Commission of South Australia and quality certification of compliance of the revised tool, once implemented, with the requirements of Disability Services Standard 9.

Information Sources:

Information Sources:

- Telephone Interview with Phil Farrow, Human Resources, Bedford Industries
- Written information provided by Bedford Industries, including
 - *Bedford's Employee Wage Tool (BEWT) – Background Information;*
 - Extract from DSC Surveillance Audit Report 21/3/05;
 - Extract from DSC Follow up Audit Report (SAI Global Assurance Services) December 2004;
 - Judgement of Deputy President PJ Hampton, Industrial Relations Commission (SA), *Bedford Industries Employee Enterprise Agreement 2003*, 30/3/04
 - Human Resource Policy 5.06 (Draft) *Salaries/ Wages* and 5.06(A) Draft – Easy English version
 - Examples of forms used in the wage assessment process:
 - *Training and Performance Review* form
 - *Employee Wage Review Sheet;*
 - Employee wage notification
 - Inter-Rater Reliability Data;
 - Examples of Information Sent to Employees and/or Family Members:
 - *EBA Newsletter* (including explanation of wage assessment)
 - Memo to EBA Committee Members

- Explanation of wage assessment
- Minutes of Enterprise Bargaining Committee Meeting 29/11/03
- Internal Memorandum to all staff and workers re Wages/Salaries, 21/5/04
- *Employee EBA Wages Training* package.
- Grievance/ Complaints Procedure for Enterprise Bargaining Agreement 2006;
- Human Resource Policy Manual, Policy 2.01: *Problems and Complaints* and 2.01(A) – Easy English version; and
- Appendix 1, Bedford Industries Employee Enterprise Bargaining Agreement 2006: *Constitution – Enterprise Consultative Committee.*

25. Description of the Blue Mountains Disability Services Wage Assessment Tool

25.1 Owner/Developer of the Tool

Blue Mountains Disability Services Ltd

25.2 Type of Tool

Hybrid (Competency and Productivity assessment)

25.3 Number of Business Services Using This Tool

One (Blue Mountains Disability Services, incorporating Eloura Business Services)

25.4 History and Development of the Tool

The Blue Mountains Disability Services wage assessment tool was developed with assistance from consultant Phil Amos and is described as being a prototype for the Skillsmaster wage assessment model. The Skillsmaster tool has since undergone significant further development.

The wage assessment tool was incorporated in the Eloura Supported Employees Workplace Agreement 2002. This was a one year agreement which operated in conjunction with the Australian Liquor, Hospitality & Miscellaneous Workers Union Supported Employment (Business Enterprises) Award 1993. The Workplace Agreement continues to operate but has not as yet been renewed.

All employees were required to be assessed using the wage assessment process during the term of the Enterprise Agreement (i.e. one year from 8 March 2002). A transitional assessment was conducted in the first three months of the agreement for each worker followed by a full wage assessment within the first year.

Wage reassessment within a 3 year period has since been written into the service's procedures. Earlier reassessment may be requested by the worker or the service if indicated.

The Workplace Agreement states that the Blue Mountains wage system is the first stage of a three-step wages continuum towards open and/or self employment, with the second and third stages being Supported Wages (working with a host employer) and Award Wages (open and/or self employment).

25.5 Content and Structure of the Tool

The Blue Mountains Disability Services wage assessment tool assesses three aspects:

1. Task Skills (Core Task Skills and Specific Task Skills)
2. Work Associated Competencies
3. Productivity

Schedule B of the Workplace Agreement sets out a matrix of skill levels for the wage assessment process. There are 7 skills levels, each of which has defined *Work Associated Competencies*, *Task Core Skills* and *Specific Task Skills*.

Level 1 is the Entry Level used in the work experience/ trial period. The requirements for Level 1 are defined in Schedule B as follows:

General Requirements

Work Experience. Trial period. Assessed for individual needs, competencies and skills.

Requires close supervision and support to gain and maintain the skills to complete the assigned tasks.

Tasks that require a limited number of basic skills to meet task requirement.

Work Associated Competencies

Work Habits

Attendance:

- Regularly attends work

Punctuality:

- Appears at work station or work area on time

Initiative:

- Expresses own needs clearly to relevant staff

Attitude toward task:

- Positive response to training

Perseverance:

- Willing to stay on task for agreed working hours

Work Performance

Supervision:

- Willing to follow directions

Relationship with co-workers:

- Relates to co-workers and behaves in an age appropriate manner

Flexibility (limited):

- Acknowledges having understood instructions
- Carries out instructions immediately

Quality of work:

- Complete 4 tasks to 100% Performance criteria

OH&S/ Presentation:

- Clean & tidy appearance

Task Core Skills (All must attain these skills)

Physical Requirement

1. Degree of hand eye coordination
2. Degree of gross motor skills
3. Physically capable
4. Tolerates work conditions

Skills

5. Ability to pick up small objects
6. Count to 5 using aids/jigs
7. Place limited number of small objects into bags/ containers
8. Double fold (using aids) paper/ fabric and other materials
9. Collate 2-3 sheets of paper (Structured format)

Specific Task Skills

Typical Examples

Sub-contract:

- Place required number of units of the same colour into a plastic bag. Place bag vertically in a cardboard carton.
- Place a number of nuts, bolts and washers into a clear plastic bag. Place bag vertically in a cardboard carton.
- Double fold a gazette as required. Insert into a plastic sleeve. Loop rubber band over gazette and sleeve. Locate band in middle of package. Place horizontally in a large bag.

Woodwork:

- Assist Woodwork operators in various task processes.
- Locate on latticework jig pre cut lengths of timber lattice.

Metalwork:

- Assist Metalwork operators in various task processes

Grounds maintenance/ Landscaping:

- Assist in Landscaping tasks, fetch and carry pavers/ tools, etc
- Rake leaves, grass cuttings, etc. in a designated area into a pile for bagging.

Clerical:

- Assist with Clerical tasks.
- Basic collating 2-3 photocopied sheets.

By Level 7, the requirements are as follows:

General Requirements

Demonstrates capacity to work independently and also to be a team leader.

Work Associated Competencies

Work Performance

Supervision:

- Performs tasks independently with minor initial supervision.

Relationship with co-workers:

- Demonstrates the ability to supervise small groups and keep on task.
- Demonstrates a positive approach to both employees and staff.

Flexibility & Versatility:

- Demonstrates the ability to supervise small groups and keep on task.
- Demonstrates understanding of sequencing for task and associated responsibilities of each team member.

Quality of work:

- Able to check work of co-workers.
- Identify work errors, correct or report to appropriate member of staff.

OH&S:

- Has knowledge and understanding of OH&S regulations and procedures.
- Understands their application to the work environment.

Task Core Skills (All must attain these skills)

1. Demonstrates ability to work independently for set periods of time.
2. Uses higher level cognitive abilities to plan and organise work stations and tasks.
3. Shows a competent level of numeracy and literacy skills in all areas.
4. Applies prior knowledge and judgement to a wider range of tasks and conditions e.g. Knowledge of locations during deliveries. Knowledge of work site locations.

Specific Task Skills

Typical Examples

Sub-contract:

- Designated as a leading hand position for the particular section.
- Capable of establishing and maintaining one or more production set ups, for the packaging of high volume, less complex tasks e.g. Fruit bars and the application of strip fridge magnets to promotional material.
- Ensure employees are wearing appropriate clothing and work in a safe and sensible way.
- Able to read and write order forms.
- Answer the phone and identify any problem that may arise in relation to the contract work and inform appropriate staff.

Woodwork & Metalwork:

- Designated as a leading hand position for that particular section.
- Capable of establishing and maintaining one or more production set ups, using jigs and fixtures.
- Ensure employees are wearing appropriate clothing and work in a safe and sensible way.
- Ensure any employee in the section and any person being supervised is wearing PPE.
- Answer the phone and identify any problem that may arise in relation to the contract work and inform appropriate staff.

Ground maintenance/ Landscaping:

- Designated as a leading hand position for that particular section.
- Capable of supervising 4-5 employees in a Ground Maintenance setting providing the skills and knowledge to ensure a safe environment with required work standards.

Clerical:

- Capable of working within the team structure of administration. Able to relate well to customers, employees and staff.
- Respond appropriately to any unforeseen event.

Core Tasks Skills Assessment Form

For each Skill Level, there is a Core Task Skills Assessment form which contains the core task skills for that level (as listed in the Skills Matrix, Schedule B of the Workplace Agreement) and spaces for assessors' ratings and comments. The rating scale used for Core Task Skills assessment is:

- less than 75% (i.e. the worker can complete 75% of the core task skills without assistance) is Entry; and
- 75% or higher is Competent.

The outcome of the Core Task Skills Assessment is a rating of *Entry* or *Competent* for the Skills Level. (The forms and procedural instructions are not clear in respect of Core Task Skills Assessment.)

Task Analysis/ Standard Operating Procedure Form

There are Task Analysis forms for each job. These forms list all the steps of the Standard Operating Procedure for the job and the Skill Level that corresponds to each step. The Task Analysis forms specify the required production rate and record the worker's actual production rate. There is also information about the risks of the job, hazard rating, personal protective equipment required and equipment and materials used for the job.

Each Task has an *Overall Skill Level* which is determined by the highest skill level assigned to any of the steps of the task.

The Task Analysis forms are dual purpose and are used for wage assessment and training. Assessors use two rating scales when completing Task Analysis forms:

- Assessment Code (used for wage assessment purposes):
 - Fully Independent; or
 - Failed to complete; and
- Training Code/ Levels (used for training purposes):
 - 0 = No assistance/ Fully independent
 - 1 = Indirect verbal prompt/ Instruction
 - 2 = Direct verbal prompt/ Instruction
 - 3 = Prompt by gesture
 - 4 = Modelling prompt
 - 5 = Physical prompt

The outcome of completing a Task Analysis form is an overall rating of:

- Competent
- Not Yet Competent (Further training required); or
- Further Evidence (Discussion and reassessment).

The worker has to be assessed as *Fully Independent* in all steps of the task to be deemed competent at the Skill Level for that task. Once competence at the Skill Level is determined, the accompanying Productivity Band (Entry, Competent or Advanced) is determined by the worker's productivity rate.

The Productivity Band for each Skill Level is determined as follows:

- Entry Band (E) = Workers productivity rate is up to 59%;
- Competent Band (C) = Worker's productivity rate is between 60% and 79%; and
- Advanced Band (A) = Worker's productivity rate is over 80%

The 100% production rate is based on 70% of an open employment productivity rate (usually provided by customers and then confirmed by peers) or a peer rate (determined using the rate of a peer worker who undertakes work of a similar nature). For example, if the industry benchmark or a peer rate for a particular task is 100 units per hour, the 100% productivity rate for Blue Mountains workers on this task is deemed to be 70 units per hour. A worker who produces 70 units per hour is therefore assessed as having a 100% productivity rate and would be classified in the *Advanced* productivity band. (Workers are payed at the Advanced level once they achieve 80% or more of the 100% production rate.)

For example, if the highest Skill Level for any of the steps in Task X is Skill Level 3, and the worker is assessed as Fully Independent in all of the steps for Task X, their assessed Task Skill Level will be Level 3. If the worker's productivity rate for this task is 65%, their Productivity Band will be the *Competent* Band (60% to 79%). The worker's Skill Level rating for Task X will therefore be 3C.

Work Associated Competencies Form

There is a *Work Associated Competencies* form which lists the Work Associated Competencies for each Skills/Work Group Level (as per the Skills Matrix) and a rating and assessors' comments. The rating scale used for Work Associated Competencies assessment is:

- C = Compliance
- N/C = Non-Compliance
- T/S = Training & Support Required
- N/A = Not Applicable

The outcome of the Work Associated Competencies Assessment is a determination of *Entry*, *Competent* or *Advanced* for the relevant Skill Level. These bands are determined as follows:

- If the worker has been assessed as compliant for 100% of the Work Associated Competencies for the Skill Level, they are rated as *Advanced*;
- If the worker has been assessed as compliant for 75% to 99% of the Work Associated Competencies for the Skill Level, they are rated as *Competent*; and
- If less than 75%, the worker is rated as *Entry* Level for Work Associated Competencies at that Skill Level.

Once a worker has been assessed as competent in 100% of the Work Associated Competencies for their Skill Level (i.e. they are classified as *Advanced*), they proceed to the Work Associated Competencies for the next Skill Level.

Assessment Summary Matrix Form

Task Analysis assessment results are summarised on an Assessment Summary Matrix. This form lists the Task numbers for a work section and records whether the worker was assessed against each task, whether they were assessed as Competent or Not Competent on each task, the skill level for the task, the worker's productivity rate and an Overall Level for the task (being the Skill Level and the Productivity Band – Entry, Competent or Advanced, depending on the productivity rate, e.g 3A or 2C, etc).

The Overall Skill Level (i.e. across all of the assessed tasks) is the Skill Level below which all tasks were assessed as *Advanced*, i.e. the worker must achieve *Advanced* status in all tasks of a Skill Level before they can progress to the next Skill Level. In effect, this means the worker must be *Fully Independent* in all steps of each assessed task at a particular Skill Level and record a productivity rate of between 80% and 100% for each of these tasks before they can progress to the next level.

The Competency Rating as assessed on the Work Associated Competencies Assessment form is then considered and the lowest of the two assessed Skill Levels (*Work Associated Competencies* and *Task Skills*) is the Overall Rating. For example, if a worker had an assessed Specific Task Skill Level of 4E and a Work Associated Competency level of 3C, their Overall Rating would be 3C. (As previously explained, productivity is already incorporated in the Specific Task Skill Level assessment)

Notwithstanding these results, workers must first achieve competency in all Core Task Skills at the preceding levels before they can progress to the next level.

25.6 Assessment Process

Certificate IV qualified Workplace Assessors conduct all of the wage assessments. (Eloura has two such staff at present) The worker and their supervisor/trainer must also be present during the assessments.

Wage assessments are conducted over a four-week period. Workers are advised by letter two weeks in advance that a wage assessment will be conducted and they are notified of the date from which the assessment will commence.

New workers must be assessed within six months from the date of employment. Ongoing assessments must be conducted at least once every three years. Workers or the service can request a wage assessment prior to the scheduled assessment by submitting a *Skills and Competencies Request/Review Form*. This form is also completed at each Individual Program Plan Meeting.

Workers are provided with training on the wage assessment process in Quality Circles prior to their assessment.

The wage assessor prepares the relevant assessment forms and Task Analyses and advises the worker of the jobs that they will be assessed on for that day. The assessor also determines the benchmark productivity levels for the tasks prior to assessment.

Workers are assessed on skills that are relevant to their area of work and the assessor must complete a Task Analysis form when assessing each particular skill.

The assessor, in conjunction with the worker's supervisor, conducts assessment of Core Skills, Task Specific Skills and Productivity. The assessor and the worker sign the Task Analysis form when the assessment on a task is complete.

When all relevant tasks have been assessed, the results are transferred onto an Assessment Summary Matrix form. Each task has a designated Skills Level, determined with reference to the Skills Matrix. The worker's Skill Level Rating is determined (see *Scoring and Wage Calculation* section below).

Once this Skill Level Rating is determined, the Work Associated Competencies are assessed in consultation with the worker. The assessor uses evidence sources including attendance sheets, observation, incident reports, reports from supervisors, counselling records and individual employment plans to complete the Work Associated Competencies assessment.

All (100%) of the required Work Associated Competencies at each Skill Level must be achieved before the worker can proceed to the next Skill Level. The assessor and worker complete the Summary of Competencies Achieved form and determine the overall Work Associated Competency Level. The worker and assessor both sign the completed form.

The Work Associated Competency Level is entered on the Assessment Summary Matrix form which already has the Task Skill Level rating recorded. The lower of the two ratings (i.e. Task Skill Level rating and Work Associated Competency rating) is the Overall Rating which determines the worker's wage grade. If the two ratings are equal, then that is the rating that applies.

The assessor enters the financial outcome of the assessment on the Assessment Summary Matrix form. The assessor also determines whether the worker is eligible for a certificate (a certificate is awarded when the worker has achieved all skills within the relevant area at an advanced level).

The worker is advised of their wage assessment outcome verbally (at the meeting where their Work Associated Competencies are discussed) and then by letter and a Skills Assessment Report that documents the assessment outcome level for each Task Skill in which the worker was assessed.

Each wage assessment is confirmed and endorsed by the General Manager/ Human Resource Manager.

The worker's wages are adjusted as appropriate and the worker receives certificates for the Task Skills that they have achieved.

The Skills Matrix is used on an ongoing basis for training and monitoring purposes. A *Skills and Competencies Review/Request* form is completed for each worker's annual Individual Program Plan meeting. This form summarises whether existing skills and competencies have been improved, maintained or regressed and whether any new skills or competencies have been acquired.

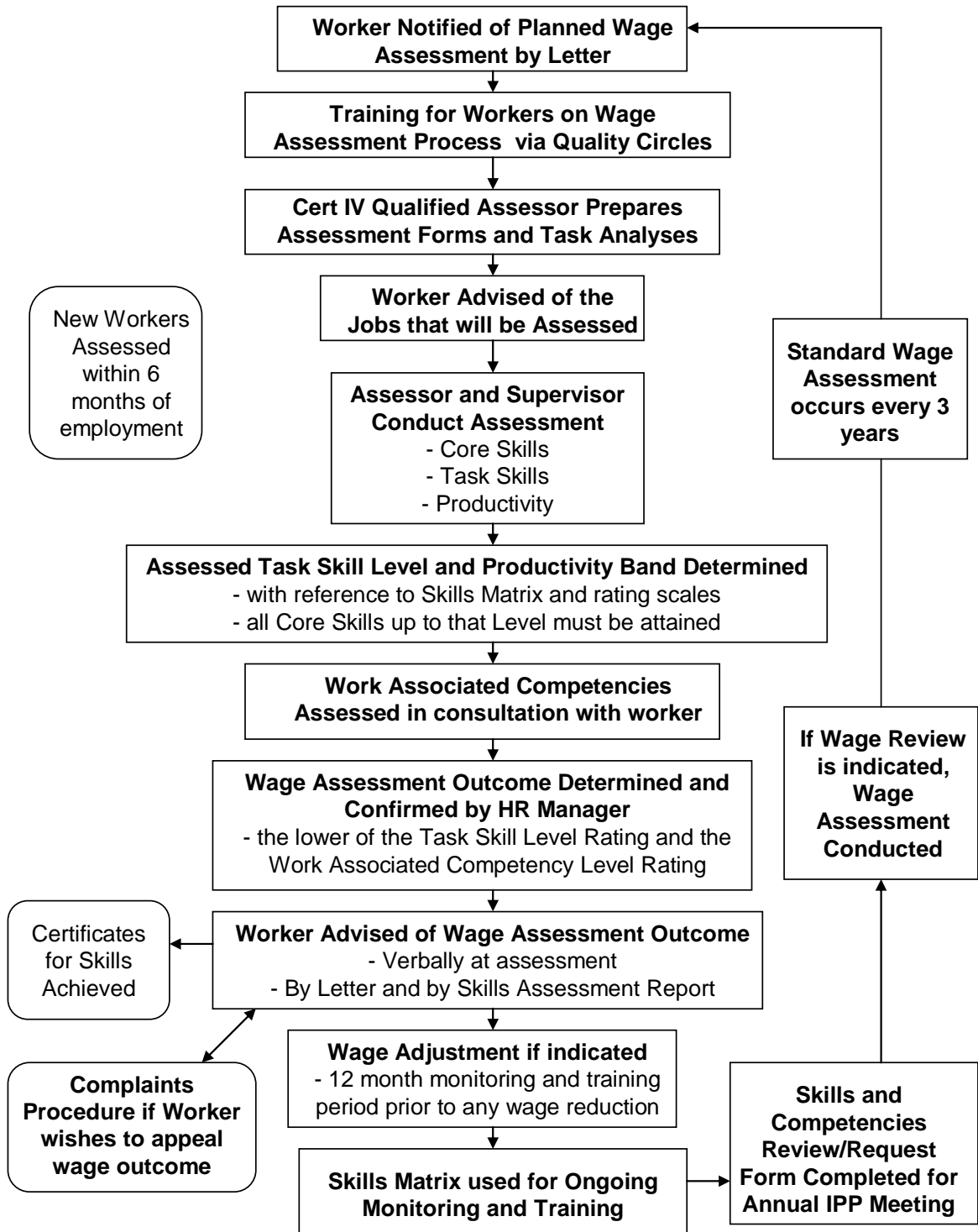
If a worker's skill level has regressed, he/she receives a provisional payment (at their existing wage rate) for a minimum of one year. The regression is addressed via the worker's Individual Plan and the worker is supported to regain the lost skill(s).

Workers can appeal the wage assessment outcome by contacting the Human Resources Manager who ensures that the process has been conducted in a fair and objective manner.

Wage assessments are conducted for each worker every 3 years although earlier assessments can be requested. Eloura estimates that up to 10% of workers would have had an additional assessment since their first assessment in 2002. All workers are currently having their wage assessments reviewed (in line with the 3 year cycle).

The wage assessment process is summarised in the following diagram:

Summary of Blue Mountains Disability Services Wage Assessment Tool



25.7 Scoring and Wage Calculation

Skill Level 1 of the wage structure is *Training and Support Introductory Level, High Support Needs* and has two bands: *Entry* (5.0% of Award Wage, Grade 1) and *Competent* (7.0% of Award Wage, Grade 2).

Skill Levels 2 to 7 each have 3 Productivity Bands:

- Entry
- Competent
- Advanced

Each of these bands is linked to increasing levels of the Award (Grade 2). For example at Skill Level 2:

- *Entry* Productivity Band equates to 7.0% of the Award (Grade 2)
- *Competent* Productivity Band equates to 9.5% of the Award (Grade 2)
- *Advanced* Productivity Band equates to 12.0% of the Award (Grade 2).

The maximum level of the Award which can be achieved under this wage structure is 45.0% at the *Advanced* Productivity Band of Skills Level 7.

In order to progress to the next wage level, the worker must have:

1. Achieved all of the Core Task Skills for the preceding levels; and
2. Achieved *Advanced* level for all of the Specific Task Skills of the preceding levels (i.e. the worker must be fully independent in all steps of the task and have at least 80% productivity rate); and
3. Achieved *Advanced* level for all the Work Associated Competencies for the preceding levels (i.e. the worker must have been assessed as complying with all of the Work Associated Competencies for the preceding levels).

The Productivity Band (i.e. *Entry*, *Competent*, or *Advanced*) within the Skill Level (requirement 2 in the list above) is determined by the worker's productivity rate, i.e.

- Entry: 0 to 59% productivity rate
- Competent: 60% to 79% productivity rate
- Advanced: 80% to 100% productivity rate

The band/category for the Work Associated Competencies is determined by the proportion of Work Associated Competencies that the worker achieves in the Skill Level, i.e:

- Entry: less than 75% of competencies achieved
- Competent: 75% to less than 100% of competencies achieved
- Advanced: 100% of competencies achieved

The Skill Level determined is the lower of the two levels determined by the *Specific Job Task Skills* and *Work Associated Competency* assessments. If the two ratings are equal, then that is the rating that applies.

25.8 Good Practice Guide to Wage Determination Criteria

25.8.1 Compliance with Relevant Legislation and Standards

The Blue Mountains Disability Services Wage Assessment Tool was incorporated in a one-year Workplace Agreement, dated 2002.

The most recent quality audit determined that the wage assessment tool complies with Disability Services Standard 9 and gave a commendable rating. The auditor's written report stated that the wage assessment tool had been endorsed by an external consultant of FaCS. Blue Mountains advised that this endorsement referred to the Business Service Review conducted in June 2003 (consultants Christa Gordon and Martin Walsh for FaCS). An extract from the Review report describes the Blue Mountains Disability Services remuneration arrangements as transparent, developed following significant consultation with individuals and their parents/ guardians, and highly commendable. It was noted, however, that the consultants did not audit the wage assessment process. The first round of wage assessments had not been completed at the time of the Business Service Review.

25.8.2 Validity

Blue Mountains staff report that the wage assessment tool was developed with assistance from consultant Phil Amos. Phil Amos describes the Blue Mountains tool as a prototype for the Skillsmaster tool which has subsequently undergone further development. Comparison against the current Skillsmaster tool shows substantial differences between the Skillsmaster system and the Blue Mountains Disability Services wage assessment tool. The validity and compliance with Good Practice Guide criteria ascribed to the Skillsmaster wage assessment system are therefore not necessarily transferable to the Blue Mountains Tool.

The task skills and competencies being assessed are clearly documented; however, more specific instructions regarding the assessment process and rating scale for the Core Skills component of the tool and the process for determining productivity benchmarks would improve the validity and transparency of the tool. The tool's scoring/rating system is quite complex.

25.8.3 Reliability

There is no evidence that any testing of the reliability of the tool has occurred. Both of the Certificate IV qualified assessors are present for some wage assessments which could assist inter-rater consistency. The General Manager/ Human Resources Manager reviews and signs off each wage assessment.

Reliability could be improved through a number of means such as the addition of clear written instructions for assessors on the assessment forms and the inclusion of rating scale definitions on Core Skills assessment forms. Formal testing would confirm whether the tool has a sufficient level of reliability.

A draft Procedure document, *Training and Support Business Services*, describes the process for wage assessment. Further details added to this procedure and to the assessment forms (e.g. instructions on how to rate Core Task Skills) could assist with inter-rater reliability, particularly if new staff were required to complete the assessments.

Clear information about the general concepts and process of the wage assessment tool is provided for workers in a training package (in *MS Powerpoint* format).

25.8.4 Wage Outcomes

Introduction of the Blue Mountains Disability Services Wage Assessment Tool in 2002 resulted in wage level increases for 18% of workers. This first round of wage assessment would have resulted in decreased wages for 22% of workers but a *No Disadvantage* Payment maintained existing wage rates for these workers. (All workers received a 3% award increase at the time of implementation of the enterprise agreement.)

The second round of wage assessments is occurring at present and data on wage outcomes/ progression from this second round is not yet available.

To date, the highest skill/wage level achieved by a worker since introduction of the wage assessment system has been Level 5.

25.8.5 Practical Application of the Tool

Blue Mountains staff report that the wage assessment tool suits the organisation. The task analyses are incorporated into work routines and used for training and wage assessment purposes. The Skills Matrix is described as “easy to use”.

25.8.6 Administrative and Cost Implications

Set up of the wage assessment tool was completed prior to the Workplace Agreement struck in 2002. Preparation of task analyses was reported to be time-consuming initially.

Internal assessors are used so there is no cost for external assessors. Blue Mountains staff estimate that the staff time required to conduct an individual worker’s wage assessment is approximately 2 days.

25.8.7 Industrial Relations

There was no union involvement in the development of the wage assessment tool or the Workplace Agreement. Blue Mountains reports that workers were fully involved in the development of the workplace agreement and attended the industrial commission hearing. Intensive training programs were held prior to the development of the agreement. Advocates and parents were involved in the development of the skills levels and associated tasks for the workplace agreement and associated wage assessment tool.

There is a Workers’ Committee that meets monthly.

25.8.8 Links to Training

The Skills Matrix and Task Analysis forms are used for training purposes. Training needs and goals are identified and actioned through the IPP process. Training also occurs through Quality Circles.

Some Blue Mountains employees are undertaking apprenticeships and are paid according to the relevant award.

25.8.9 Process for Disputing/Appealing the Outcome

The Workplace Agreement includes a process for the avoidance and resolution of disputes and grievances. This involves progressive steps from a meeting with the employee's supervisor, to the Manager, then Board of Directors, and ultimately, if still not resolved, to the Australian Industrial Relations Commission.

Explanation of the Workplace Agreement and associated assessments, and the grievance procedure are included in the trainee's Induction Checklist. There is a one-page plain English and pictorial summary of 'How to Make a Complaint' for workers.

Summary of Ratings of the Tool against the Good Practice Guide to Wage Determination Criteria

| Good Practice Guide to Wage Determination Criteria | Blue Mountains Disability Services Wage Assessment Tool |
|---|--|
| Compliance with relevant legislation and standards | <p>The Blue Mountains Disability Services Wage Assessment Tool is incorporated in a 2002 Workplace Agreement.</p> <p>The tool has been assessed by quality auditors as complying with Disability Services Standard 9.</p> |
| Validity and Reliability | <p>Although the Blue Mountains tool was a prototype for the Skillsmaster wage assessment model, Skillsmaster has undergone considerable further development and there are now significant differences between the two tools.</p> <p>There is no evidence of reliability testing of the Blue Mountains tool. The tasks skills and competencies being assessed are clearly documented but more specific instructions for some aspects of the assessment process would improve the validity and reliability of the tool.</p> <p>Certificate IV qualified assessors complete the wage assessments and are sometimes both present at assessments. The General Manager/ Human Resources Manager reviews each assessment.</p> |
| Wage Outcomes | <p>Blue Mountains estimates that 18% of workers have increased their wage level since the wage assessment tool was implemented. As routine wage assessments are only conducted once every three years, many workers have only had one wage assessment. Consequently, there is insufficient data available to evaluate wage progression under this wage assessment process.</p> |
| Practical application of the tool | <p>Blue Mountains staff report that the wage assessment tool suits the organization, the task analyses are used for training and wage assessment, and the skills matrix is easy to use.</p> |
| Administrative and cost implications | <p>Preparation of task analyses for the set-up of the wage assessment process was reported to be initially time consuming. The staff time required to conduct an individual worker's wage assessment is approximately 2 days.</p> <p>The assessment process is completed internally, so there is no cost for external assessors.</p> |
| Industrial relations | <p>The Blue Mountains Disability Services Wage Assessment Tool is incorporated in the service's 2002 Workplace Agreement which was negotiated with involvement of workers, advocates and parents. There is no direct union involvement with the wage assessment system but a Workers' Committee meets monthly.</p> |

| | |
|--|--|
| Links to training | The Skills Matrix and Task Analyses are used for training purposes, with training needs and goals actioned through the IPP process. |
| Process for disputing/appealing the outcome | The Workplace Agreement includes a process for the avoidance and resolution of disputes and grievances. Trainees are provided with an explanation of the Workplace Agreement, associated assessments and the grievance procedure during induction. There is a one-page plain English and pictorial summary of 'How to Make a Complaint' for workers. |

Conclusion

The Blue Mountains Disability Services Wage Assessment Tool was developed and incorporated in the organisation's 2002 Workplace Agreement. The tool has been described as a prototype for the Skillsmaster wage assessment system but it should be noted that there are significant differences between the Blue Mountains tool and the current Skillsmaster tool. These differences include a Blue Mountains requirement that all Core Skills be achieved before progression to the next level and the frequency of wage assessment.

Quality audits have determined that the Blue Mountains Disability Services wage assessment process complies with the requirements of Disability Services Standard 9 which relates to conditions of employment, including the requirement for pro-rata wages to be determined through tools or processes that comply with the *Good Practice Guide to Wage Determination* criteria.

Clearer instructions for some aspects of the wage assessment process (described in Sections 1 and 2 of this report) could enhance the reliability of the tool.

Blue Mountains procedure requires that routine wage assessments be conducted every three years. Consequently, many workers have had only one wage assessment to date and there is insufficient data to evaluate wage outcomes and progression. (Note that a second round of wage assessments is currently occurring.)

When compared with other wage assessment tools that have been reviewed, the Blue Mountains three year assessment cycle and the requirements for advancement to the next wage level may be less favourable for workers.

Wage outcome data from the second round of wage assessments, more specific procedural instructions as noted above, and inter-rater reliability testing could confirm that the Blue Mountains Wage Assessment Tool satisfies the good practice criteria.

Information Sources:

- Telephone Interviews and email correspondence with Pam Hurley, Human Resources Manager
- Telephone discussion with Phil Amos, Workplace Relations Consulting
- Written information provided by Eloura Business Service, including
 - *Eloura Supported Employees Workplace Agreement 2002*
 - Extracts from quality auditors reports of 2003, 2004, 2005
 - Task Skills Evaluation Assessment sheets for Level One and Level Two (Forms 9.1 and 9.1a)
 - Work Associated Competencies assessment form (Form 9.2)
 - Training Schedule form (Form 9.3)
 - Task Analysis Form for Woodwork Section (Form 9.4)
 - Assessment Summary Matrix form – one blank and one example (Form 9.5)
 - Skills and Competencies Review/Request form (Form 9.6)
 - Letter of notification that wage assessment is to be conducted (Form 9.7)

- Letter advising decrease in assessed skill level (Form 9.8)
- Letter advising no change in assessed skill level and wage (Form 9.8a)
- Letter advising increase in assessed skill level and wage (Form 9.8b)
- Skills Assessment Report (Outcome Report Form) (Form 9.9)
- Benchmark Production Rates (Form 9.10)
- Induction Checklist (Form 1.13)
- Employment Assistance Plan (Form 1.14)
- Request for Change of Goals (Form 2.8)
- Individual Employment Plan Review (Form 2.9)
- *Training and Support Business Services Procedure* (AS-OHS-035, Issue No. 04)
- *Employee's Handbook*, Eloura Business Services
- *Workplace Agreement Training Program*, Eloura Business Services
- *Assessment Results Workshop*
- *Final Assessment Results Ground Crew*
- Extract from *Blue Mountains Disability Services Business Review* prepared by consultants Christa Gordon and Martin Walsh for FaCS, June 2003

AD-3 “Greenacres Wage Assessment Tool Policy and Procedure”

QP 2025: Greenacres Wage Assessment Tool Procedure

1.0 PURPOSE

An integral element of the Australian Federal Governments Employment Assistance Program through which we employ Supported Employees, is the Wage Assessment process. This procedure provides a detailed description of the process used to enable a fair and equitable wage result for people in supported employment by Endeavour Foundation Industries (EFI).

This procedure aligns with the Greenacres Competency Based Wage Assessment Tool currently used by Endeavour Foundation to determine the Supported Employee Wages.

To meet the requirement of National Standard 6: Service Management. 'The Service has effective and accountable Service Management & Leadership to maximise outcomes for individuals.'

Key Performance Indicators:

- KPI 9.1 The service provider ensures that people with a disability, placed in open or supported employment, receive wages according to the relevant Australian Pay and Classification Scale (APCS), special Federal Minimum Wage (SFMW), award, order or industrial agreement (if any).
- KPI 9.2 The service provider ensures that, when people with a disability are placed in employment, their conditions of employment are consistent with general workplace norms and relevant Commonwealth and State Legislation.
- KPI 9.3 The service provider ensures that, when people with a disability are placed in supported employment, they, and if appropriate, their guardians and advocates, are informed of how wages and conditions are determined and the consequences of this.

2.0 SCOPE

This policy applies only to:

The administration of the Wage Assessment process and the implementation of the report findings for people with a disability working within Endeavour Foundation Industries who are employed through the Employment Assistance Program.

3.0 ACCOUNTABILITY/ACCOUNTABLE OFFICER(S)

All staff at service level, including Supervisors, Training Support Officers (TSO), Training Development Officers/Managers (TDO/M), Customer Service Managers (CSM), Foreman/Production Managers (PM) and Endeavour Foundation Industries Managers (EFIM).

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Staff at Head Office level including Business Employment Officers (BEO) and Wage Implementation Team (WIT) members, Business Employment Coordinator (BEC), National Program Manager (NPM), Commercial Managers (CM), Executive General Manager - Business Solutions (EGM-BS) and HR Manager (HRM).

4.0 KEY CONTROLS

- EFI Internal Audit process
- External Audit process
- FaHCSIA Funding Agreement – Disability Employment Assistance Services
- Greenacres Competency Based Wage Assessment Tool

5.0 PROCEDURE

5.1 General

A Wage Assessment is required:

- When a Supported Employee completes their Trial Employment of 13 weeks (Initial Wage Assessment).
- Every year after the Initial Wage Assessment (Annual Wage Assessment).
- When there are significant task changes (Review Wage Assessment).
- When there is a significant and permanent improvement in a Supported Employee's competency or productivity (Review Wage Assessment). This can be at the Supported Employees or EFI's request.

5.2 Endeavour Foundation Industries Wage Assessment Flow

5.2.1 Pre Assessment Tasks

5.2.1.1. Site specific *Job Register (QF 2025.05)*

5.2.1.1. Allocate Skill Level to each task on site utilizing *Safe Work Practice (SWP 4141.04)* and *Skill Level Task Skills and Underpinning Work Skills (QF 2025.01)*.

5.2.2 Assessment Tasks

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- 5.2.2.1. TDO and Supervisor work together to begin collecting banding timings using **Productivity Banding Calculator (QF 2025.04)** and work on **Productivity Assessment (QF 2025.03)**.
- 5.2.2.2. TDO & Supervisor complete the **Underpinning Work Skills (UWS) (QF 2025.02)** independently and then meet to agree on UWS level.
- 5.2.2.3. TDO and EFI Manager work together to finalise work on **Productivity Assessment (QF 2025.03)**.
- 5.2.2.4. TDO completes and submits web based Wage Assessment Results (**WATAPP**) <http://watapp.endeavour.com.au/>

5.2.3 **Post Assessment Tasks**

- 5.2.3.1. Appropriate BEU WIT member identifies results, collates **Individual Impact Summary (IIS) (QF 2025.07)** and **Wage Assessment Report (QF 2025.08)** and sends to EFI site for action.
- 5.2.3.2. TDO then delivers wage assessment results to SE and their Substitute Decision Maker if applicable.

5.3 **Endeavour Foundation Industries Wage Assessment Preparation**

5.3.1 **Pre Assessment Task 1 - Job Register**

Each EFI site will have a comprehensive **Job Register (QF 2025.05)** that identifies all current and ongoing jobs. The **Job Register (QF 2025.05)** is maintained (created, monitored and updated as required) by the appropriate BEU WIT member and will list every stage of a job.

A **Safe Work Practice (SWP 4141.04)** must be used to chronologically detail each stage listed on the **Job Register (QF 2025.05)**.

5.3.2 **Pre Assessment Task 2 – Allocate Skill Level to each task on site utilizing SWP and Skill Level Task Skills and Underpinning Work Skills**

The BEU WIT member will assign the Skill Level according to the Task Skills identified within each **SWP (SWP 4141.04)** to ensure uniformity across all EFI sites. Once the Skill Level is determined by the BEU WIT member using the Greenacres methodology **Skill Levels, Task Skills & Underpinning Work Skills (QF 2025.01)**, EFI Manager approval is sought.

NOTE: New tasks require the following:

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- Notification of the new task to the BEU WIT member using **SWP (SWP 4141.04)**.
- BEU WIT member updates the sites **Job Register (QF 2025.05)**
- BEU WIT to allocate skill level and work with the site to develop and finalise the SWP in conjunction with WHS and ensure both consistency across the organization and within the wage assessment process.

5.4 Endeavour Foundation Industries Wage Assessment Tasks

5.4.1 **Assessment Task 1 – Productivity Banding Calculator (QF 2025.04) and Productivity Assessment (QF 2025.03) outlining the tasks (TDO)**

TDO fills out the Supported Employees details using **Productivity Assessment (QF 2025.03)** including date assessment commenced and task names. **Productivity Assessment (QF 2025.03)** is then given to the Supervisor for completion and allocation of task timings and observations. Once completed the Supervisor returns the **Productivity Assessment (QF 2025.03)** to the TDO for their observations and sign off.

NOTE: To complete task timings the TDO's & Supervisor's should work together using **How to Calculate Productivity (WI 2025.01)** and **Productivity Banding Calculator (QF 2025.04)**.

NOTE: It is only necessary to time the productivity of the tasks that match the Supported Employee's highest skill level.

e.g. If a Supported Employee does 2 Level A tasks, but spends over 50% of their time on a Level B task, it is then only necessary to time the productivity of that Level B task.

5.4.2 **Assessment Task 2 - TDO & Supervisor each complete the Underpinning Work Skills Assessment (QF 2025.02) independently and then meet to agree on UWS level.**

As the Task Skills and UWS form parallel streams by which the Supported Employee is assessed, we now need to look at the Supported Employee's UWS demonstrated in the workplace. UWS are those general vocational skills necessary to maintain successful employment.

Like the Task Skills, these skills are also generic in nature and include seven dimensions:

- 5.4.2.1 Independent Work Practice
- 5.4.2.2 Consistency

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- 5.4.2.3 Flexibility
- 5.4.2.4 Quality Control
- 5.4.2.5 Health & Safety
- 5.4.2.6 Workstation
- 5.4.2.7 Teamwork

To assess these skills the **UWS Assessment (QF 2025.02)** is used and is completed by the Supervisor and the TDO independently. The TDO has accredited Workplace Assessor qualifications and at least one of the staff members involved in the assessment must have completed the Greenacres Disability Enterprises Competency Based Wages System (CBWS) course.

The **UWS Assessment (QF 2025.02)** is a checklist of the UWS for each dimension included for each Skill Level in the CBWS as determining factors of a Supported Employee's work performance. To illustrate, a Supported Employee who meets 100% performance criteria of the **SWP (SWP 4141.04)** for his Level B job yet leaves his workstation 17 times per day and is often rude to staff does not meet the criteria for UWS in Level B.

For a Supported Employee to be assessed as performing at a particular Skill Level they must:

- Meet the job requirements as per SWP(s)
- Work at that Skill Level (as assessed against Task Skills) for a minimum of 50% of work time over a 6 month period (unless being initially assessed at the end of the 3 month Work Trial) and
- Demonstrate competent performance of 100% of the UWS for each Skill Level below that one the job(s) has been assessed at plus
- Demonstrate competent performance of 80% of the UWS for the current Wage Level the job(s) has been assessed at.

Completing Underpinning Work Skills

Both the Supervisor and the TDO that work with the Supported Employee on a regular basis are to independently complete the **UWS Assessment (QF 2025.02)**.

Tick the skills the Supported Employee exhibits and mark with a dash those that require support. If you place a dash you must write a comment.

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The TDO will then compare the two **UWS Assessments (QF 2025.02)** and where results do not match the TDO is to discuss with the relevant Supervisor. If an agreement cannot be met between the Supervisor and the TDO the discrepancies are to be raised with the EFI Manager to determine a result.

If the two forms do not match in a way that changes the result, the following discussion and or mediation with the EFI Manager needs to be recorded only by ticking the box marked final result on the **UWS Assessment (QF 2025.02)** reflecting the end decision.

Apply the 80% rule to determine which Skill Level the Supported Employee should occupy. The rule being, that a Supported Employee must meet a minimum of 80% of the UWS for the Skill Level of the job being undertaken and 100% of the UWS for any lower Skill Level(s) in order to be paid at that level.

For example; a Supported Employee working on a Skill Level B job with advanced level of productivity on a full time basis must meet 80% of the UWS for Skill Level B and 100% of the UWS for Skill Level Training & Support (T&S) and Skill Level A to receive Skill Level B pay rates. If the Supported Employee does not meet the UWS for level B they can only be paid at Level An Advanced (17.5% of Grade 2), regardless of completing skills at a skill level B.

The above example only applies to Supported Employees that have never been assessed by any assessment tool whilst employed in EFI's. For existing Supported Employees that have been assessed using the Business Service Wage Assessment Tool (BSWAT), the highest Skill Level (that takes up 50% or more of work time or as deemed so by EFIM) they are currently working on will be the Skill Level they are paid at. The UWS will only be used to identify areas of training to support progression to the next skill level.

For example; a Supported Employee who has previously been assessed using the BSWAT assessment tool and is working on a Skill Level B job on a full time basis and meets 100% of the UWS for Skill Level Training & Support (T&S) and only 80% of Skill Level A, will still be paid at Skill Level B. The completion of the UWS will identify areas of training required to bring them up to the Skill Level B that they currently work on.

Skill Level Determination

Once the Task Skills and UWS have been completed you are ready to decide what Skill Level the Supported Employee meets.

Before you do, make sure you have;

- Compiled relevant SWP (with skill level) and Training & Assessment Record/s

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- Completed documentation for the ***Underpinning Work Skills Assessment (QF 2025.02)*** for the Supported Employee
- If the Supported Employee has never had a BSWAT, ensured they meet the rule regarding 100% of UWS for lower Skill Levels and 80% of current level PLUS meeting all requirements of tasks/jobs undertaken as per the relevant SWP.
- If the Supported Employee has had a BSWAT, ensured you have recorded the highest skill level only
- Ensured the Supported Employee is working on tasks/jobs at the Skill Level for a minimum of 50% of their time at work over 6 month period (unless being initially assessed at the end of the 3 month Work Trial).

NOTE: If the Supported Employee is working at a higher level less than 50% of their time, it is at the discretion of the EFI Manager to record the higher level task at a higher percentage to ensure the assessment encompasses the higher skill base.

e.g. If a Supported Employee works on 2 A level tasks for 60% of their time and drives a forklift only 40% of their time the EFI Manager can choose to acknowledge this contribution by increasing the recorded percentage to ensure the forklift driving is included in the assessed skill level.

5.4.3. Assessment Task 3 - TDO and Site Manager work together to finalise work on *Productivity Assessment (QF 2025.03)***.**

By this time the TDO will have the information ready to complete the assessment and can then complete the remaining sections of the ***Productivity Assessment (QF 2025.03)*** and forward to the EFI Manager for their sign off, indicating their approval.

If the EFI Manager rejects the results, TDO to email BEU WIT member requesting mediation to reach agreement.

5.4.4. Assessment Task 4 - TDO completes and submits web based Wage Assessment Results *WATAPP (Web Application)*****

Once the relevant SWP/s and training records have been compiled along with the completion of the ***UWS Assessment (QF 2025.02)*** and ***Productivity Assessment (QF 2025.03)***, the TDO is ready to submit the assessment information.

TDO inputs the data collated throughout the assessment period and submits to the BEU WIT member. <http://watapp.endeavour.com.au/>

QP 2025: Greenacres Wage Assessment Tool Procedure

The web application has been designed based on rules that will allow you to submit only if;

- The list of task percentages adds up to 100%
- The skill level and UWS are equal or there is an explanation attached
- The site has ticked to indicate they have completed the appropriate documentation evidencing the assessment (UWS Documentation Complete).

NOTE: Ensure you print screen prior to pressing submit.

Once this step is completed, the documentation (**including the printed screen of the WATAPP page**) held on site should be placed in a clear document sleeve and placed into the Supported Employees Green File in the Employment section.

5.5 Endeavour Foundation Industries Post Assessment Tasks

5.5.1. Post Assessment Task 1 – Appropriate BEU WIT member identifies results, collates report and sends to EFI site for action.

Once results have been submitted the appropriate BEU WIT member is automatically notified by email and will compile the **Individual Impact Summary (QF 2025.07)** and forward to payroll to verify hourly rate and determine if any back pay is to be applied. The IIS is completed by payroll and returned to the BEU WIT member to then compile the **Wage Assessment Report (QF 2025.08)** and send to the EFI site for action along with the **Individual Impact Summary (QF 2025.07)**.

5.5.2. Post Assessment Task 2 - TDO then delivers wage assessment results to SE and their Substitute Decision Maker if applicable.

The TDO will need to finalise the report by adding in the individual details using **Task Skill and Underpinning Work Skills Details for Report (QF 2025.09)** and any other information required in the spaces provided.

The TDO then contacts Supported Employee and Substitute Decision Maker if applicable to organise a time that the Wage Assessment Report can be delivered. If a Substitute Decision Maker (SDM) is unable to attend the Report & IIS can be sent home once meeting has been conducted for signing and retention. All contact and arrangements are documented using the **Communication Log (QF 2004.05)**.

Ensure that all the information required for the meeting is prepared prior so that you are ready to respond to any concerns or queries the Supported Employee and/or SDM may have regarding the results. This will include a copy of the Individual Impact Summary for the Supported

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Employee and the Substitute Decision Maker to sign along with two copies of the Wage Assessment Report, one to take home and one which will be kept in the Supported Employees Green File in the Employment section as per **Quality Administration (QP 0007)**.

At the meeting:

If the Supported Employee is independent in their decisions follow the Informed **Decision Making (QP 8022)** process and proceed with the meeting as per the following dot points:

- It is important that the Supported Employee and their Substitute Decision Maker if applicable are taken through the process of the assessment and given a detailed understanding of the results.
- If the Supported Employee is going to receive an increase involving back pay, they will receive the Individual Impact Summary (IIS) detailing the new pay rate, the date to which it will be backdated and instructions about the implications of this payment. It is important that you read through IIS at the meeting prior to giving the Supported Employee a copy. The IIS will have an area for the Supported Employee & Substitute Decision Maker (if applicable) to sign acknowledging that they have received this information. It is important that they sign this during the meeting and once signed must be photocopied and placed on the SE's file.
- If the Substitute Decision Maker is unable to attend the meeting but willing to have a discussion over the phone (document this call using **Communication Log (QF 2004.05)** proceed by explaining:
 - the process behind the assessment
 - the results of the assessment
 - the contents of the IIS
 - if they verbally approve the hourly rate, explain that you will send the letter home for information only as the change will be implemented based on the Supported Employee's signature using Informed **Decision Making (QP 8022)** process.

Once this has been completed send the Substitute Decision Maker the **Wage Assessment Report and IIS**.

If either the Supported Employee or Substitute Decision Maker is unhappy with the result:

they are to be directed to the BEU WIT member (contact details are available on the report). The report will clearly detail the process to be undertaken should a person wish to make a complaint.

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- Do not send the **IIS** to Human Resources and Payroll for processing until approval is attained through:
 - the complaints process
 - verbal approval by Substitute Decision Maker who is unable to attend the meeting or
 - a signed IIS

Once the IIS's have been signed by the Supported Employee and/or Substitute Decision Maker (if applicable) they are to be individually scanned and emailed to Payroll, Human Resources and the relevant WIT member for processing.

.All changes in hourly rates are to be recorded in the sites Wage Spreadsheet and forms.

6.0. PROGRESSION TO SUPPORTED WAGE SYSTEM (SWS)

When the TDO identifies that a Supported Employee has been assessed as performing E level tasks to an Advanced level, this is to be brought to the attention of the EFI Manager for approval to progress to a SWS assessment. The TDO is to arrange a meeting with the Supported Employee and Substitute Decision Maker if applicable to discuss the SWS process.

In the first instance progression to the SWS is at the discretion of the EFI Manager, however once the Supported Employee has been assessed once at this level they automatically progress to the SWS.

7.0. DOCUMENTATION

Procedures

- Quality Administration Procedure (QP 0007)
- Supported Employee Training and Development (QP 2005)
- Greenacres Wage Assessment Tool Procedure (QP 2025)
- Informed Decision Making (QP 8022)

Forms

- Skill Levels, Task Skills & Underpinning Work Skills (QP 2025.01)

QP 2025: Greenacres Wage Assessment Tool Procedure

- Underpinning Work Skills Assessment (QF 2025.02)
- Productivity Assessment (QF 2025.03)
- Productivity Banding Calculator (QF 2025.04)
- Job Register (QF 2025.05)
- Agreed Productivity (QF 2025.06)
- Individual Impact Summary (QF 2025.07)
- Wage Assessment Report (QF 2025.08)
- Task Skill and Underpinning Work Skills Details for Report (QF 2025.09)
- Wage Assessment Results (WATAPP) <http://watapp.endeavour.com.au/>
- Safe Work Practice (SWP 4141.04)
- Informed Decision Making (QP 8022)
- Communication Log (QF 2004.05)

Work Instruction

- How to Calculate Productivity (WI 2025.01)
- How to complete an Individual Impact Summary (WI 2025.02)

External

- National Standards for Disability Services (NSDS) <https://www.dss.gov.au/our-responsibilities/disability-and-carers/standards-and-quality-assurance/national-standards-for-disability-services>

AD-4 “Wacol Job Register”

JOB REGISTER - Wacol

| Department | Customer | Job | Task Analysis | Stage | Skill Level | Task Skills required to complete job | Related SWP | Agreed Productivity |
|--|----------|-------------------------------|--|--|-------------|--------------------------------------|--|---------------------|
| UPR Open Floor | Mars | Packing Birdseed Sticks | Pallet Jack - Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Set up Flow Pack Machine - Ulma | 2 | D | 1,3,2,4,5 | ..\\SWP\Carol\Wacol\Birdseed Line\PS SWP 011A Flow Pack Machine - Ulma.doc | ✓ |
| | | | Feed belt | 3 | A | 1,2,4,5,8,10,7 | ..\\SWP\Carol\Wacol\Birdseed Line\PS SWP 011B Feeding Flow Pack Machine.doc | |
| | | | Set up Date Coding Machine | 4 | C | 1,3,6,2,4,5 | ..\\SWP\Carol\Wacol\Birdseed Line\PS SWP 015A Date Coding Machine.doc | ✓ |
| | | | Feed display carton through Date Coding Machine | 5 | A | 1,2,4,5,8,10 | ..\\SWP\Carol\Wacol\Birdseed Line\PS SWP 015A Date Coding Machine.doc | |
| | | | Dispose of cardboard sheet between layers & return side packing to customer. | 6 | A | 1,2,4 | SWP ?????????? | |
| | | | Set up Metal Detector | 7 | C | 1,2,4,5 | ..\\SWP\Carol\Wacol\PS SWP 050 Metal Detector ID07.doc | ✓ |
| | | | | | C | 1,2,4,5 | ..\\SWP\Carol\Wacol\PS SWP 056 Metal Detector CP JS-1B- Series.doc | ✓ |
| | | | Quality Check & place item on conveyor | 8 | B | 3,4,5 | ..\\SWP\Carol\Wacol\Birdseed Line\PS SWP 012 Quality Control Honey Sticks.doc | |
| | | | Operate conveyor | 9 | B | 1,3,6,7,2,4,5 | ..\\SWP\Carol\Wacol\PS SWP 014 Conveyor Belt.doc | |
| | | | Rejects - open packet, place stick in container, throw wrapper in bin. | 10 | A | 1,2,4,8,10 | SWP ?????????? | |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 11 | A | 1,2,4,8,6,10 | ..\\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | | | B | 1,3, | | |
| | | | Set up print & apply machine to label & print codes on display boxes. | 12 | C | 3,2,4,5,6 | ..\\SWP\Carol\Wacol\Birdseed Line\PS SWP 015B Print & Apply Label Machine.doc | ✓ |
| | | | Feed display boxes through print & apply machine | 13 | A | 1,2,8,10,9 | SWP ?????????? | |
| | | | Set up scales | 14 | C | 1,3,2,4,5, | ..\\SWP\Carol\Wacol\PS SWP 007 Digital Scales.doc | ✓ |
| | | | Check weigh display boxes. | 15 | B | 1,2,4,5 2, | ..\\SWP\Carol\Wacol\PS SWP 007 Digital Scales.doc | |
| | | | Assemble carton | 16 | A | 1,2,5,8 | | |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 17 | A | 1,2,4,8,6,10 | ..\\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | | | B | 1,3, | | |
| | | | Set up Carton Sealing Machine | 18 | C | 1,3,2,4,5 | ..\\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | ✓ |
| | | | Set up Carton Printer | 19 | C | 1,2,4 | SWP ?????????? | ✓ |
| | | | Seal carton. | 20 | B | 1,2,4,5,8,10,9 1,3,6,2,4 | ..\\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | | | A | 1,2,5,8,7 | ..\\SWP\Carol\Wacol\PS SWP 030 Tape Gun.doc | |
| | | | Attach label to carton (General=A, Exact=B) | 21 | A | 1,2,4,8 | ..\\SWP\Carol\Wacol\Labelling\PS SWP 054 General Labeling.doc | |
| | | B | 1 | | | | | |
| Palletise | 22 | B | 1,3,6 | ..\\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ | | | |
| Set up Pallet Wrapper | 23 | C | 1,3,2,4,5,6 | | ✓ | | | |
| Wrap pallet & attach pallet label | 24 | B | 1,3,6,2,4,5 | ..\\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ | | | |
| | | B | 1,3,6,2,4,5 | ..\\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ | | | |
| | | B | 1,3,6,2,5 | ..\\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | ✓ | | | |
| Cleaning of work area, tools & equipment | 25 | A | 1,2,3,4,8,7 | SWP ?????????? | | | | |
| | | | | | | | | |
| | | | Pallet Jack-Deliver product to line (ensure oldest date at front) | 1 | B | 1,3,6,7,2,4,5 | ..\\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Open carton & place on gravity feed rollers | 2 | A | 1,2,4,8, | SWP ?????????? | ✓ |
| | | | Place bottle/s on conveyor, ensuring they are facing in the correct direction. | 3 | B | 1,6, | ..\\SWP\Carol\Wacol\Powerade\PS SWP 018A Feeding Shrink Wrapper One Coloured Bottles (Powerade Line).doc | |
| | | | Place bottle/s on conveyor, ensuring they are facing in the correct direction and in correct order blue, yellow, red | | B | 1,3,6 | ..\\SWP\Carol\Wacol\Powerade\PS SWP 018B Feeding Shrink Wrapper Multi-Coloured Bottles (Powerade Line).doc | |
| | | | Quality check | 4 | B | 3,4,5 | ..\\SWP\Carol\Wacol\Powerade\PS SWP 020 Quality Check after Shrink Wrapping (Powerade Line).doc | ✓ |
| | | | Reject packs to be opened and bottles placed back on conveyor for rewrapping (place rubbish in bin) | 5 | A | 1,2,4,8 | SWP ?????????? | |

JOB REGISTER - Wacol

| Department | Customer | Job | Task Analysis | Stage | Skill Level | Task Skills required to complete job | Related SWP | Agreed Productivity |
|--|----------|------------------------------------|---|--|-------------|--------------------------------------|--|---------------------|
| UPR Open Floor | CCA | Shrinkwrapping bottles of Powerade | Set up printer | 6 | C | 1,2,4 | SWP ?????????? | ✓ |
| | | | Feed pack through printer. | 7 | A | 1,2,4,8 | SWP ?????????? | |
| | | | Assemble carton | 8 | A | 1,2,5,8 | ..\..\SWP\Carol\Wacol\Powerade\PS SWP 026 Packing Bundles of Powerade (conveyor ID 14).doc | |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 9 | A B | 1,2,4,8,6,10 1,3, | ..\..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | Set up printer to date carton (printer attached to carton sealing machine) | 10 | C | 1,2,4 | SWP ?????????? | ✓ |
| | | | Seal carton. | 11 | B | 1,2,4,5,8,10,9 1,3,6,2,4 | ..\..\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | | | A | 1,2,5,8,7 | ..\..\SWP\Carol\Wacol\PS SWP 030 Tape Gun.doc | |
| | | | Palletise | 12 | B | 1,3,6 | ..\..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ |
| | | | Set up Pallet Wrapper | 13 | C | 1,3,2,4,5,6 | | ✓ |
| | | | Wrap pallet & attach pallet label | 14 | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| | | | | | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ |
| | B | 1,3,6,2,5 | ..\..\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | ✓ | | | | |
| Cleaning of work area, tools & equipment | 15 | A | 1,2,3,4,8,7 | SWP ?????????? | ✓ | | | |
| UPR Food Rooms | Various | Food Packing - Manual | Pallet Jack-Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Open bulk bag, fill pit & break product up | 2 | A | 1,2,4,8,7 | ..\..\SWP\Carol\Wacol\PS SWP 003 Cutting with Scissors.doc | ✓ |
| | | | Attach label to bag/carton (General=A, Exact=B) | 3 | A | 1,2,4,8 | ..\..\SWP\Carol\Wacol\Labelling\PS SWP 054 General Labeling.doc | |
| | | | | | B | 1 | | |
| | | | Open & Fill bag by hand | 4 | A | 1,2,4,3,8 | ..\..\SWP\Carol\Wacol\PS SWP 004 A Hand Filling.doc | |
| | | | Set up scales | 5 | C | 1,3,2,4,5 | ..\..\SWP\Carol\Wacol\PS SWP 007 Digital Scales.doc | ✓ |
| | | | Check weigh bag. | 6 | B | 1,2,4,5 2, | ..\..\SWP\Carol\Wacol\PS SWP 007 Digital Scales.doc | |
| | | | Seal bag (Zip - A, Stationary - A, Rotary - B) | 7 | A | 1,2,4,5,8,9 | ..\..\SWP\Carol\Wacol\PS SWP 008 Impulse Heat Sealer Pedestal.doc | |
| | | | | | B | 1,3,6,2,4,5 | | |
| | | | Set up metal detector | 8 | C | 1,2,4,5 | SWP ?????????? | ✓ |
| | | | Pass bag through metal detector | 9 | A | 1,2,3,8,9 | ..\..\SWP\Carol\Wacol\PS SWP 056 Metal Detector CP JS-1B- Series.doc | |
| | | | Clean bag (before or after depending on product) | 10 | A | 1,2,4,8,6 | SWP ?????????? | |
| | | | Quality check | 11 | B | 3,4,5 | SWP ?????????? | ✓ |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 12 | A | 1,2,4,8,6,10 | ..\..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | | | B | 1,3, | | |
| | | | Seal carton. | 13 | B | 1,2,4,5,8,10,9 1,3,6,2,4 | ..\..\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | | | A | 1,2,5,8,7 | ..\..\SWP\Carol\Wacol\PS SWP 030 Tape Gun.doc | |
| Palletise / hand wrap / place in cage | 14 | B | 1,3,6 | ..\..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ | | | |
| Set up Pallet Wrapper | 15 | C | 1,3,2,4,5,6 | | ✓ | | | |
| Wrap pallet & attach pallet label | 16 | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ | | | |
| | | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ | | | |
| | B | 1,3,6,2,5 | ..\..\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | ✓ | | | | |
| Cleaning of work area, tools & equipment | 17 | A | 1,2,3,4,8,7 | SWP ?????????? | ✓ | | | |
| | | | Pallet Jack-Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Fill hopper | 2 | A | 1,2,4,5,3,8,6,7,9 | ..\..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 060 Fill Bin or Hopper UPR top floor food rooms.doc | ✓ |
| | | | Set up Batchweigher | 3 | C | 3,2,4,5 | ..\..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 006 Batch Weigher No.4.doc | ✓ |

JOB REGISTER - Wacol

| Department | Customer | Job | Task Analysis | Stage | Skill Level | Task Skills required to complete job | Related SWP | Agreed Productivity |
|---|-----------|---|--|----------------|-------------|--------------------------------------|--|---------------------|
| UPR Food Rooms | Various | Food Packing - Auto | Attach label to bag/carton (General=A, Exact=B) | 4 | A | 1,2,4,8 | ..\..\SWP\Carol\Wacol\Labelling\PS SWP 054 General Labeling.doc | |
| | | | Open bulk bag | 5 | A | 1,2,8,7 | ..\..\SWP\Carol\Wacol\PS SWP 003 Cutting with Scissors.doc | ✓ |
| | | | Fill bag using Batchweigher | 6 | A | 1,2,4,3,8,9 | ..\..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 046 Batch Weghers 6 & 7.doc | |
| | | | | | A | 1,2,4,3,8,9 | ..\..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 047 Batch weigher 1 ID 62.doc | |
| | | | | | A | 1,2,4,3,8,9 | ..\..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 048 Batch weigher No 2 (ID61).doc | |
| | | | Seal bag (Zip - A, Stationary - A, Rotary - B) | 7 | A | 1,2,4,5,8,9 | ..\..\SWP\Carol\Wacol\PS SWP 008 Impulse Heat Sealer Pedestal.doc | |
| | | | Clean bag | 8 | A | 1,2,4,8 | SWP ?????????? | |
| | | | Quality check | 9 | B | 3,4,5 | SWP ?????????? | ✓ |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 10 | A | 1,2,4,8,6,10 | ..\..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | Pass carton through metal detector | 11 | A | 1,2,8 | ..\..\SWP\Carol\Wacol\PS SWP 056 Metal Detector CP JS-1B- Series.doc | |
| | | | Seal carton. | 12 | B | 1,2,4,5,8,10,9 | ..\..\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | | | A | 1,3,6,2,4 | ..\..\SWP\Carol\Wacol\PS SWP 030 Tape Gun.doc | ✓ |
| | | | Palletise | 13 | B | 1,3,6 | ..\..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ |
| | | | Set up Pallet Wrapper | 14 | C | 1,3,2,4,5,6 | | ✓ |
| | | | Wrap pallet & attach pallet label | 15 | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| | | | | | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ |
| B | 1,3,6,2,5 | ..\..\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | | | ✓ | | | |
| Cleaning of work area, tools & equipment. | 16 | A | 1,2,3,4,8,7 | SWP ?????????? | ✓ | | | |
| MPR | Mars | Packing Millet | Pallet Jack-Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Date code box | 2 | A | 1,2,4,3,8,7 | ..\..\SWP\Carol\Wacol\PS SWP 041 Manual Dating Products.doc | |
| | | | Date code using printer | | | | 1,2,4 | SWP ?????????? |
| | | | Glue box | 3 | B | 1,3,6,2,5 | ..\..\SWP\Carol\Wacol\PS SWP 044 Hot Melt Glue Gun.doc | |
| | | | Fill box | 4 | A | 1,2,4,8,7 | SWP ?????????? | |
| | | | Check weigh box | 5 | B | 1,2,4,5 | ..\..\SWP\Carol\Wacol\PS SWP 007 Digital Scales.doc | |
| | | | Glue box | 6 | B | 1,3,6,2,5 | | |
| | | | Quality check | 7 | B | 3,4,5 | SWP ?????????? | ✓ |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 8 | A | 1,2,4,8,6,10 | ..\..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | Palletise | 9 | B | 1,3,6 | ..\..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ |
| | | | Set up Pallet Wrapper | 10 | C | 1,3,2,4,5,6 | | ✓ |
| | | | Wrap pallet & attach pallet label | 11 | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| | | | | | B | 1,3,6,2,4,5 | ..\..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ |
| B | 1,3,6,2,5 | ..\..\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | | | ✓ | | | |
| Cleaning of work area, tools & equipment. | 12 | A | 1,2,3,4,8,7 | SWP ?????????? | ✓ | | | |
| | | | Pallet Jack-Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\..\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Assemble carton feed through CSM (bottom seal only) | 2 | B | 1,2,5,8,9 | ..\..\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | Open carton and place on gravity feed roller | 3 | A | 1,2,8 | SWP ?????????? | |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 4 | A | 1,2,4,8,6,10 | ..\..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | Quality check | 5 | B | 3,4,5 | SWP ?????????? | ✓ |

JOB REGISTER - Wacol

| Department | Customer | Job | Task Analysis | Stage | Skill Level | Task Skills required to complete job | Related SWP | Agreed Productivity |
|---|-------------|---|---|---|-------------|--------------------------------------|---|---------------------|
| MPR | GF | Repacking Margarine | Operate conveyor | 6 | B | 1,3,6,7,2,4,5 | ..\SWP\Carol\Wacol\PS SWP 014 Conveyor Belt.doc | |
| | | | Set up printer | 7 | C | 1,2,4 | | ✓ |
| | | | Place lid on carton and feed through CSM to print code on lid only (not to tape). | 8 | B | 1,2,5,8 | | |
| | | | Palletise | 9 | B | 1,3,6 | ..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ |
| | | | Set up Pallet Wrapper | 10 | C | 1,3,2,4,5,6 | | ✓ |
| | | | Wrap pallet & attach pallet label | 11 | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| | | | | | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ |
| Cleaning of work area, tools & equipment. | 12 | A | 1,2,3,4,8,7 | SWP ????????? | ✓ | | | |
| MPR | GF | Repacking Biscuits (12) | Pallet Jack-Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Open carton and place on gravity feed roller | 2 | A | 1,2,8 | SWP ????????? | |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 3 | A | 1,2,4,8,6,10 | ..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | Quality check & place on conveyor | 4 | B | 3,4,5 | SWP ????????? | ✓ |
| | | | Operate conveyor | 5 | B | 1,3,6,7,2,4,5 | ..\SWP\Carol\Wacol\PS SWP 014 Conveyor Belt.doc | |
| | | | Seal carton. | 6 | B | 1,2,4,5,8,10,9 | ..\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | | | A | 1,3,6,2,4 | ..\SWP\Carol\Wacol\PS SWP 030 Tape Gun.doc | |
| | | | Palletise | 7 | B | 1,3,6 | ..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ |
| | | | Set up Pallet Wrapper | 8 | C | 1,3,2,4,5,6 | | ✓ |
| | | | Wrap pallet & attach pallet label | 9 | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | | | ✓ | | | |
| Cleaning of work area, tools & equipment. | 10 | A | 1,2,3,4,8,7 | SWP ????????? | ✓ | | | |
| LPR | Mars | Packing Shell Grit | Pallet Jack-Deliver product to line | 1 | B | 1,3,6,7,2,4,5 | ..\SWP\Carol\Wacol\Warehousing\PS SWP 009 Pallet Jack.doc | ✓ |
| | | | Fill hopper | 2 | E | 1,11,2,8 | FORKLIFT | ✓ |
| | | | Date code bag | 3 | A | 1,2,4,3,8,7 | ..\SWP\Carol\Wacol\PS SWP 041 Manual Dating Products.doc | |
| | | | Fill bag using Batchweigher | 4 | A | 1,2,4,3,8,9 | ..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 046 Batch Weghers 6 & 7.doc | |
| | | | | | A | 1,2,4,3,8,9 | ..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 047 Batch weigher 1 ID 62.doc | |
| | | | Set up scales | 5 | C | 1,3,2,4,5 | ..\SWP\Carol\Wacol\Food Packing - Auto\PS SWP 048 Batch weigher No 2 (ID61).doc | ✓ |
| | | | Check weigh bag | 6 | B | 1,2,4,5 2, | ..\SWP\Carol\Wacol\PS SWP 007 Digital Scales.doc | |
| | | | Seal bag (Zip - A, Stationary - A, Rotary - B) | 7 | A | 1,2,4,5,8,9 | ..\SWP\Carol\Wacol\PS SWP 008 Impulse Heat Sealer Pedestal.doc | |
| | | | Label carton | 8 | A | 1,2,4,8 | ..\SWP\Carol\Wacol\PS SWP 041 Manual Dating Products.doc | |
| | | | Quality check | 9 | B | 3,4,5 | SWP ????????? | ✓ |
| | | | Pack into carton (A<10, B>10 if counting not required = A) | 10 | A | 1,2,4,8,6,10 | ..\SWP\Carol\Wacol\PS SWP 010 PackingFood Product into Cartons.doc | |
| | | | Seal carton. | 11 | B | 1,2,4,5,8,10,9 | ..\SWP\Carol\Wacol\PS SWP 016 Carton Sealing Machine.doc | |
| | | | | | A | 1,3,6,2,4 | ..\SWP\Carol\Wacol\PS SWP 030 Tape Gun.doc | |
| Palletise | 12 | B | 1,3,6 | ..\SWP\Carol\Wacol\Generic\PS SWP 029 Palletizing cartons.doc | ✓ | | | |
| Set up Pallet Wrapper | 13 | C | 1,3,2,4,5,6 | | ✓ | | | |

JOB REGISTER - Wacol

| Department | Customer | Job | Task Analysis | Stage | Skill Level | Task Skills required to complete job | Related SWP | Agreed Productivity |
|----------------|----------|---------------------------------|---|--|-------------|--------------------------------------|---|---------------------|
| | | | Wrap pallet & attach pallet label | 14 | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| | | | | | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ |
| | | | | | B | 1,3,6,2,5 | ..\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | ✓ |
| | | | Cleaning of work area, tools & equipment. | 15 | A | 1,2,3,4,8,7 | SWP ?????????? | ✓ |
| LPR | | Various sorting, repacking etc. | | | | | | |
| Various | | Labelling | Attach label to item (General=A, Exact=B) | | A | 1,2,4,8 | ..\SWP\Carol\Wacol\Labelling\PS SWP 054 General Labeling.doc | |
| | | | Apply label by machine | | B | 1 | | |
| | | | | | A | 1,2,4,8 | SWP ?????????? | |
| Various | | Line Assistant Duties | Set up machines | | C-E | | Refer to SWP's listed above. | ✓ |
| | | | Record Quality Checks | | E | 1,11,5,6 | SWP ?????????????? | ✓ |
| | | | Ensure the line runs smoothly | | E | | | ✓ |
| MPR | | Laundry duties | Wash Hats & Coats | | B | 2,4,5 | ..\SWP\Carol\Ypily\031 - Washing Machine QF 4141.04 SWP.doc | ✓ |
| | | | Dry Hats & Coats | | B | 2,4,5 | ..\SWP\Carol\Ypily\035 - Dryer QF 4141.04 SWP.doc | ✓ |
| | | | Sort Hats & Coats & deliver to production | | A | 1,2,4,8, | SWP ?????????? | ✓ |
| | | | Soak & wash cleaning cloths | | A | 1,2,4,8, | SWP ?????????? | ✓ |
| All | NA | Site cleaning | Wipe surfaces | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Spot clean walls | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Clean toilets/urinals | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Wash & dry dishes | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Empty bins | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Restock supplies | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Sweep | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Mop floors | | A | 1,2,3,4,8,7 | SWP ???????? | ✓ |
| | | | Scrub floors | | C | 1,3,4 | ..\SWP\Carol\Ypily\060 - Floor Scrubber QF 4141.04 SWP.doc | ✓ |
| Warehousing | NA | Stores | Forklift | | E | 1,2,4,5,7,8 | SWP ???????? | ✓ |
| | | | Truck Driver | | E | 1,10,11,2,3,4,5,6,7,8 | SWP ???????? | ✓ |
| | | | Check off/complete paperwork | | E | 1,11,5,6 | SWP ???????? | ✓ |
| | | | Set up Pallet Wrapper | | C | 1,3,2,4,5,6 | SWP ???????? | ✓ |
| | | | Wrap pallet & attach pallet label | | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\Warehousing\PS SWP 021 Electric Pallet Wrapper ID34 (MPR).doc | ✓ |
| | | | | | B | 1,3,6,2,4,5 | ..\SWP\Carol\Wacol\PS SWP 022 AUTOMATIC PALLET WRAPPING MACHINE No-001794 (UPR).doc | ✓ |
| | | B | 1,3,6,2,5 | ..\SWP\Carol\Wacol\PS SWP 031 Manual Pallet Wrapping.doc | ✓ | | | |
| Administration | | | Answering Phones | | B | 7,4 | SWP ???????? | ✓ |
| | | | Taking / Phoning through messages/orders | | E | 1,5,6, | SWP ???????? | ✓ |
| | | | Filing | | E | 1,10,11,6,7,8 | SWP ???????? | ✓ |
| | | | Data Entry | | E | 1,10,5,6,8 | SWP ???????? | ✓ |
| | | | Checking First Aid Kits | | E | 1,6,7 | SWP ???????? | ✓ |

| | A | | B | | C | | D | | E | |
|-----------|---|------|--|------|---|------|------------------------------------|------|---|------|
| Entry | \$ | 2.17 | \$ | 3.47 | \$ | 4.77 | \$ | 6.07 | \$ | 7.81 |
| Competent | \$ | 2.60 | \$ | 3.90 | \$ | 5.21 | \$ | 6.51 | \$ | 8.68 |
| Advanced | \$ | 3.04 | \$ | 4.34 | \$ | 5.64 | \$ | 6.94 | \$ | 9.54 |
| | TASK | AP | TASK | AP | TASK | AP | TASK | AP | TASK | AP |
| | Apply label by machine | AP | Attach label to bag/carton (General=A, Exact=B) | | Scrub floors | AP | Set up Flow Pack Machine - Ulma | AP | Check off/complete paperwork | AP |
| | Assemble carton | | Pack into carton (A<10, B>10 if counting not required = A) | | Set up Batchweigher | AP | | | Checking First Aid Kits | AP |
| | Clean bag (before or after depending on product) | | Seal bag (Zip - A, Stationary - A, Rotary - B) | | Set up Carton Printer | AP | | | Data Entry | AP |
| | Clean toilets/urinals | AP | Answering Phones | AP | Set up Carton Sealing Machine | AP | | | Ensure the line runs smoothly | AP |
| | Cleaning of work area, tools & equipment | AP | Assemble carton feed through CSM (bottom seal only) | | Set up Date Coding Machine | AP | | | Filing | AP |
| | Date code bag | | Check weigh bag | | Set up Metal Detector | AP | | | Forklift | AP |
| | Date code box | | Pallet Jack-Deliver product to line | AP | Set up Pallet Wrapper | AP | | | Record Quality Checks | AP |
| | Date code using printer | | Dry Hats & Coats | AP | Set up print & apply machine to label & print codes on display boxes. | AP | | | Taking / Phoning through messages/orders | AP |
| | Dispose of cardboard sheet between layers & return side packing to customer. | | Glue box | | Set up printer | AP | | | Truck Driver | AP |
| | Empty bins | AP | Operate conveyor | AP | Set up scales | AP | | | | |
| | Feed belt | AP | Palletise | AP | Set up machines | AP | | | | |
| | Feed display boxes through print & apply machine | AP | Palletise / hand wrap / place in cage | AP | | | | | | |
| | Feed display carton through Date Coding Machine | AP | Place lid on carton and feed through CSM to print code on lid only (not to tape). | AP | | | | | | |
| | Feed pack through printer. | AP | Quality check | AP | | | | | | |
| | Fill bag using Batchweigher | | Quality check & place on conveyor | AP | | | | | | |
| | Fill box | | Seal carton. | | | | | | | |
| | Fill hopper | AP | Wash Hats & Coats | AP | | | | | | |
| | Label carton | | Wrap pallet & attach pallet label | AP | | | | | | |
| | Mop floors | AP | Place bottle/s on conveyor, ensuring they are facing in the correct direction and in correct order blue, yellow, red | | | | | | | |
| | Open & Fill bag by hand | | Place bottle/s on conveyor, ensuring they are facing in the correct direction. | | | | | | | |
| | Open bulk bag | AP | | | | | | | | |
| | Open bulk bag, fill pit & break product up | AP | | | | | | | | |
| | Open carton & place on gravity feed rollers | AP | | | | | | | | |
| | Pass bag through metal detector | AP | | | | | | | | |
| | Reject packs to be opened and bottles placed back on conveyor for rewrapping (place rubbish in bin) | | | | | | | | | |
| | Rejects - open packet, place stick in container, throw wrapper in bin. | | | | | | | | | |
| | Restock supplies | AP | | | | | | | | |
| | Seal carton. | | | | | | | | | |
| | Soak & wash cleaning cloths | AP | | | | | | | | |
| | Sort Hats & Coats & deliver to production | AP | | | | | | | | |
| | Spot clean walls | AP | | | | | | | | |
| | Sweep | AP | | | | | | | | |
| | Wash & dry dishes | AP | | | | | | | | |
| | Wipe surfaces | AP | | | | | | | | |

Review for complexity etc.

AP = Agreed Productivity

| Task Analysis | Skill Level | Agreed Productivity |
|---|-------------|---------------------|
| Apply label by machine | A | |
| Assemble carton | A | |
| Clean bag (before or after depending on product) | A | |
| Clean toilets/urinals | A | ✓ |
| Cleaning of work area, tools & equipment | A | |
| Date code bag | A | |
| Date code box | A | |
| Date code using printer | A | |
| Dispose of cardboard sheet between layers & return side packing to customer. | A | |
| Empty bins | A | ✓ |
| Feed belt | A | |
| Feed display boxes through print & apply machine | A | |
| Feed display carton through Date Coding Machine | A | |
| Feed pack through printer. | A | |
| Fill bag using Batchweigher | A | |
| Fill box | A | |
| Fill hopper | A | ✓ |
| Label carton | A | |
| Mop floors | A | ✓ |
| Open & Fill bag by hand | A | |
| Open bulk bag | A | ✓ |
| Open bulk bag, fill pit & break product up | A | ✓ |
| Open carton & place on gravity feed rollers | A | ✓ |
| Pass bag through metal detector | A | |
| Reject packs to be opened and bottles placed back on conveyor for rewrapping (place rubbish in bin) | A | |
| Rejects - open packet, place stick in container, throw wrapper in bin. | A | |
| Restock supplies | A | ✓ |
| Seal carton. | A | |
| Soak & wash cleaning cloths | A | ✓ |
| Sort Hats & Coats & deliver to production | A | ✓ |
| Spot clean walls | A | ✓ |
| Sweep | A | ✓ |
| Wash & dry dishes | A | ✓ |
| Wipe surfaces | A | ✓ |
| Attach label to bag/carton | A | |
| (General=A, Exact=B) | B | |
| Pack into carton | A | |
| (A<10, B>10 if counting not required = A) | B | |
| Seal bag | A | |
| (Zip - A, Stationary - A, Rotary - B) | B | |
| Answering Phones | B | ✓ |
| Assemble carton feed through CSM (bottom seal only) | B | |
| Check weigh bag | B | |
| Dry Hats & Coats | B | ✓ |
| Glue box | B | |
| Operate conveyor | B | |
| Pallet Jack-Deliver product to line | B | ✓ |
| Palletise | B | ✓ |
| Palletise / hand wrap / place in cage | B | ✓ |

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| | | |
|--|-----|---|
| Place bottle/s on conveyor, ensuring they are facing in the correct direction and in correct order blue, yellow, red | B | |
| Place bottle/s on conveyor, ensuring they are facing in the correct direction. | B | |
| Place lid on carton and feed through CSM to print code on lid only (not to tape). | B | |
| Quality check | B | ✓ |
| Quality check & place on conveyor | B | ✓ |
| Seal carton. | B | |
| Wash Hats & Coats | B | ✓ |
| Wrap pallet & attach pallet label | B | ✓ |
| Scrub floors | C | ✓ |
| Set up Batchweigher | C | ✓ |
| Set up Carton Printer | C | ✓ |
| Set up Carton Sealing Machine | C | ✓ |
| Set up Date Coding Machine | C | ✓ |
| Set up Metal Detector | C | ✓ |
| Set up Pallet Wrapper | C | ✓ |
| Set up print & apply machine to label & print codes on display boxes. | C | ✓ |
| Set up printer | C | ✓ |
| Set up scales | C | ✓ |
| Set up machines | C-E | ✓ |
| Set up Flow Pack Machine - Ulma | D | ✓ |
| Check off/complete paperwork | E | ✓ |
| Checking First Aid Kits | E | ✓ |
| Data Entry | E | ✓ |
| Ensure the line runs smoothly | E | ✓ |
| Filing | E | ✓ |
| Forklift | E | ✓ |
| Record Quality Checks | E | ✓ |
| Taking / Phoning through messages/orders | E | ✓ |
| Truck Driver | E | ✓ |

REVIEW FOR COMPLEXITY

AD-5 “QF2025.01 Skill Levels, Task Skills and Underpinning Work Skills”

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

| Skill Level | Task Skills | Underpinning Work Skills |
|---|--|---|
| <p>Training and Support</p> <p>This skill level is for new employees in training. Employees should not remain in this skill level for a period longer than 12 months without supporting data.</p> <p>This skill level is for new employees in training. No tasks/jobs should be classified into this level.</p> | <p>Fine Motor Skills – KC 7</p> <p>2 Ability to pick up small objects. 6 Basic threading of items e.g. string tags etc.</p> <p>Gross Motor Skills – KC</p> <p>1 Rudimentary hand/eye co-ordination e.g. can strew one item onto another. 4 Place limited number of small objects into bags/containers. 5 Folding items e.g. paper/fabric/other materials in half.</p> <p>Language Literacy & Numeracy – KC 5</p> <p>3 Complete counting tasks (to 5) using a jig.</p> | <p>Attitude to work and co-workers – KC 4</p> <p>1 Attends work each day or notifies reason for absence. 2 Comes to work area on time. 3 Readily undertakes work tasks. 4 Recognises the work environment and responds accordingly. 5 Demonstrate the ability to work with others. 6 Does not significantly distract others when working.</p> <p>Willing to learn – KC 4</p> <p>7 Demonstrates a positive response to training programmes and work duties assigned.</p> <p>Follow instructions – KC 4</p> <p>8 Accepts supervisor/trainer as authority on the job. 9 Acknowledges having understood instructions. 10 Able to follow instructions.</p> <p>Dress and WHS – KC 3</p> <p>11 Wears appropriate attire for the work environment paying regard to WHS requirements. 12 Demonstrates willingness to learn basic safety rules.</p> <p>Expressive communication – KC 2</p> <p>13 Expresses own needs clearly to relevant staff.</p> <p>Independent Work Practice – KC 3</p> <p>14 Completes 1 task to 100% performance criteria. 15 Demonstrates the ability to work in variable work environments.</p> |

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

| | | |
|--|---|---|
| <p>Skill Level A</p> <p>Tasks which demand a variety of basic skills.</p> <p>Together with manual tasks, this skill level includes relatively simple machine operation.</p> | <p>Fine Motor Skills – KC 7</p> <ol style="list-style-type: none"> 1 Basic hand/eye co-ordination. 2 e.g. can hold one item and complete task with remaining hand. Elementary level of dexterity i.e. holds items firmly or gently as required. 4 Placement of items/objects into bags, containers, boxes, jigs etc. 5 Basic assembly (with/without a match to sample item and/or jig). <p>Gross Motor Skills – KC 7</p> <ol style="list-style-type: none"> 1 Basic hand/eye co-ordination e.g. can hold one item & complete task with remaining hand. 3 Basic gross motor skills e.g. pull a lever to a set level, press buttons/foot pedals. 4 Placement of items/objects into bags, containers, boxes, jigs etc. 5 Basic assembly (with/without a match to sample item and/or jig). <p>Spatial Skills – KC 5</p> <ol style="list-style-type: none"> 8 Recognises concepts such as; on/off, front/back, top/bottom, and basic colours. <p>Language Literacy & Numeracy – KC 6</p> <ol style="list-style-type: none"> 6 Counting to 10 (with/without use of a jig). 10 Organises a limited number of items (2-3) into sequential order. <p>Machinery/Tools – KC 7</p> <ol style="list-style-type: none"> 7 Use of basic tools (if automated, a jig/template would be in place) e.g. guillotine, spanner. 9 Basic machinery operation e.g. heat sealer, stapler (with/without use of a jig/template). | <p>Independent work practice – KC 3</p> <ol style="list-style-type: none"> 1 Works with close ongoing supervision. 2 Works without supervisor present for limited periods (i.e. approx., 5 minutes). 3 Continues to work when distractions are present for limited periods. (i.e. over period of a few minutes). 4 Remembers instructions minutes after they are given. 5 Makes basic decisions regarding own work (e.g. can distinguish between basic components of a task as faulty or not). <p>Working consistently – KC 3</p> <ol style="list-style-type: none"> 6 Stays on task during key production periods. <p>Flexibility – KC4</p> <ol style="list-style-type: none"> 7 Moves to a new task with clear directions. <p>Quality Control – KC 6</p> <ol style="list-style-type: none"> 8 Can check own work and recognize errors. <p>WHS – KC1</p> <ol style="list-style-type: none"> 9 Follow basic safety procedures e.g. follows evacuation drill procedure. <p>Workstation – KC 3</p> <ol style="list-style-type: none"> 10 Maintains a clean & tidy workstation. <p>Teamwork – KC 4</p> <ol style="list-style-type: none"> 11 Demonstrate positive interaction with co-workers. |
|--|---|---|

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

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| <p>Skill Level B</p> <p>Tasks requiring a significant number of task skills be applied in sequence, together with basic decision making.</p> <p>Guides and template are key features of many tasks to support consistent quality of work output.</p> | <p>Fine Motor Skills – KC 1,7</p> <ol style="list-style-type: none"> 1 Make decisions regarding the correct placement and measurement of items (with/without the use of guides and jigs). 3 Step by step completion of typically manual tasks requiring more advanced levels of dexterity following more intricate sequences. <p>Gross Motor Skills – KC 7</p> <ol style="list-style-type: none"> 3 Step by step completion of typically manual tasks requiring more advanced levels of dexterity following more intricate sequences. <p>Spatial Skills – KC 1,5,7</p> <ol style="list-style-type: none"> 3 Step by step completion of typically manual tasks requiring more advanced levels of dexterity following more intricate sequences. 6 Apply spatial perception to tasks requiring moderate levels of planning and underpinning knowledge of task relevant issues e.g. correct positioning of items in machinery/equipment, comprehending basic geography of immediate locality to make deliveries. <p>Planning/Problem Solving – KC 3</p> <ol style="list-style-type: none"> 3 Step by step completion of typically manual tasks requiring more advanced levels of dexterity following more intricate sequences. <p>Language Literacy & Numeracy – KC 2</p> <ol style="list-style-type: none"> 7 Communicate with a variety of persons in a professional and work appropriate manner. <p>Machinery/Tools – KC 7</p> <ol style="list-style-type: none"> 2 Use of manual or automated tools and machinery requiring moderate skill levels e.g. mower, deep fryer, stapling gun and basic sewing tasks on an industrial sewing machine. 4 Recognise markers, keys, dials and other setting on machinery and tools as correct or incorrect. 5 Use judgement to determine that machinery/tools are set correctly and functioning accurately. | <p>Independent work practice – KC 3</p> <ol style="list-style-type: none"> 1 Makes basic decisions regarding own work and acts on them e.g. tools, equipment malfunctioning. 2 Remembers instructions from day to day. <p>Working consistently – KC 2,3</p> <ol style="list-style-type: none"> 3 Regularly produces predictable output levels. 4 Requests more work as supplies are depleted. 5 Works consistently with moderate supervision (i.e., 1-2 hourly). <p>Flexibility – KC 4</p> <ol style="list-style-type: none"> 6 Moves to a new task promptly <p>Quality Control – KC 2,6</p> <ol style="list-style-type: none"> 7 Notifies relevant staff of identified errors <p>WHS – KC 1</p> <ol style="list-style-type: none"> 8 Recognises and obeys safety signs 9 Wears appropriate protective equipment <p>Workstation – KC 3</p> <ol style="list-style-type: none"> 10 Performs limited housekeeping functions in work area <p>Teamwork – KC 4</p> <ol style="list-style-type: none"> 11 Demonstrates maintenance of work pace with co-workers/team |
|---|---|---|

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

| | | |
|--|---|---|
| <p>Skill Level C</p> <p>Tasks typically automated across major job stages, using more complex tools/machinery</p> | <p>Machinery/Tools – KC 7 1 Basic maintenance of machinery and/or tools being used.</p> <p>Spatial Skills – KC 5 3 Placement of items and use of tools requiring exact precision e.g. using a nail gun, measuring different lengths of conduit</p> <p>Multiple Co-ordination – KC 1,3,5,6,7 2 Complete multiple steps of task in correct sequence using more complex machinery and tools e.g. industrial sewing machine to complete more complex and varied sewing tasks and ride on mower. 4 Co-ordinate multiple skills (e.g. physical actions, spatial perception, precise judgement and prior knowledge of key rules and regulations) and apply these simultaneously to meet the essential requirements of the task e.g. assembling electrical lights using air pressure drills.</p> <p>Planning/Problem Solving – KC 1,6 5 Examine product to determine that it meets the customer requirements/industry accepted standards of quality and is in good working order 6 Discriminates between correct incorrect assembly of complex items with many small parts (min. 12 components)</p> | <p>Independent Work Practice – KC 2,3 1 Makes basic decisions for work team e.g. sourcing basic safety supplies 2 Requests explanation and clarification of instructions when necessary 3 Accepts responsibility for own work performance</p> <p>Working consistently – KC 3 4 Produces consistent output levels 5 Works consistently with intermittent supervision (approx. 3 x daily)</p> <p>Flexibility – KC 4 6 Responds promptly to urgent requirements of work section</p> <p>Quality Control – KC 6 7 Checks components and/or machinery are in good working order</p> <p>WHS – KC 1,2 8 Advises co-workers of safety requirements of task being undertaken</p> <p>Workstation – KC 3,7 9 Sets up own workstation with intermittent supervision 10 Locates jigs, tools and work supplies for work section</p> <p>Teamwork – KC 4,6 11 Communicates in an equitable manner across all co-workers 12 Demonstrates the ability to solve basic problems or notifies relevant staff as necessary</p> |
|--|---|---|

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

| | | |
|--|---|---|
| <p>Skill Level D</p> <p>Typically involves all major job specific and maintenance tasks (as required) for a work section.</p> | <p>Machinery/Tools – KC 1,3,7</p> <p>1 Minimum levels of supervision required to ensure; job has been set up correctly, that tools/machinery are in working order or require repairs, what type of jig needs to be developed and support the employee to make appropriate decisions for the work team</p> <p>3 Decision making skills to complete multiple steps of a task using more complex machinery and a variety of tools. E.g. circular saw for carpentry tasks, engineers square, spirit level</p> <p>Language Literacy & Numeracy – KC 5</p> <p>2 Numeracy skills including; recognizing numbers and understanding the concept of increasing values in order to complete measuring tasks e.g. measure varying lengths using different tools/aids using rulers, guides and measuring tapes</p> <p>Planning/Problem Solving – KC 3,6</p> <p>4 Ensures safety precautions are undertaken over a limited set of varying conditions through prompt recognition and response</p> <p>7 Pre-plan and prioritise the actions to be undertaken to ensure that the task is completed within the immediate parameters. E.g. making deliveries in the local area, commencing at the most distant location and progressively making deliveries towards the workplace</p> <p>Multiple Co-ordination – KC 1,3,5,6</p> <p>5 Co-ordinate multiple skills (e.g. physical actions, spatial perception, precise judgement and prior knowledge of key rules & regulations) to perform a variety of functions over a limited set of conditions e.g. driving a car with 1A driver's license to make deliveries in the local area <50km.</p> <p>Spatial Skills – KC 5</p> <p>6 Discriminates between size and space over limited conditions to complete complex tasks correctly e.g. driving a forklift and correctly placing large loads in a designated ground level space</p> | <p>Independent Work Practice – KC 2,3</p> <p>1 Makes basic decisions for work team</p> <p>2 Requests explanation and clarification of instructions where necessary</p> <p>Working consistently – KC 2,4</p> <p>3 Encourages co-workers to maintain on-task behaviour</p> <p>Flexibility – KC 4</p> <p>4 Recognises urgent requirements of work section</p> <p>Quality Control – KC 6</p> <p>5 Checks work completed by co-workers and notifies relevant staff where quality does not meet specifications</p> <p>WHS – KC 1</p> <p>6 Demonstrates awareness of potential safety hazards within work section</p> <p>Workstation – KC 1,4</p> <p>7 Recognises need for replenishing work supplies as necessary for work section</p> <p>Teamwork – KC 3,4</p> <p>8 Demonstrates understanding of production sequence for the work section and the associated responsibilities of each team member9 Demonstrates a positive approach across all employees and staff</p> |
|--|---|---|

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

| | | |
|---|---|---|
| <p>Skill Level E</p> <p>Typically involves all job specific, maintenance basic repair tasks for a work section / department.</p> | <p>Planning/Problem Solving – KC 1,3,5,6</p> <p>1 Very limited levels of supervision required, such as; supporting the decision making skills of the employee through confirmation and feedback.</p> <p>10 Read relevant references/manuals and apply the information to the task requirements e.g. reading a street directory, following the directions and reaching the correct destination</p> <p>11 Applies prior knowledge, judgement and spatial abilities over a wide range of conditions e.g. makes deliveries over long distances such as; 50km</p> <p>Machinery/Tools – KC 6,7</p> <p>2 Completes all maintenance requirements of more complex machinery and vehicles such as; ride on mower and forklift</p> <p>3 Identifies need for repairs on range of tools and machinery in use and advises relevant staff</p> <p>4 Completes basic machinery/tool repair tasks as directed by relevant staff</p> <p>Language Literacy & Numeracy – KC 1,2,4</p> <p>5 Undertakes professional communication skills and records information simultaneously e.g. taking phone orders from customers</p> <p>6 Applies multiple skills e.g. literacy, numeracy, fine/precise dexterity, task sequences and manual/automated procedures to complete basic transactions e.g. using a cash register for standard customer purchases</p> <p>10 Read relevant references/manuals and apply the information to the task requirements e.g. reading a street directory, following the directions and reaching the correct destination</p> <p>Multiple Co-ordination – KC 1,3,4,5,6</p> <p>6 Applies multiple skills e.g. literacy, numeracy, fine/precise dexterity, task sequences and manual/automated procedures to complete basic transactions e.g. using a cash register for standard customer purchases</p> <p>7 Co-ordinate multiple skills (e.g. physical actions, spatial perception, precise judgement and prior knowledge of key rules & regulations) and apply these simultaneously to meet the requirements of the task over a wide range of conditions e.g.</p> | <p>Independent Work Practice – KC 2,3</p> <p>1 Makes basic decisions for work section</p> <p>2 Requests explanation and clarification of instructions where necessary</p> <p>Working consistently – KC 2,4</p> <p>3 Encourages co-workers to maintain on task behaviour</p> <p>Flexibility – KC 4</p> <p>4 Takes independent action to meet urgent requirements of the work section</p> <p>5 Able to work in different work sections as required</p> <p>Quality Control – KC 6</p> <p>6 Checks work completed by co-workers and corrects where necessary</p> <p>WHS – KC 1,6</p> <p>7 Has sound knowledge of general WHS issues and rules</p> <p>8 Identifies potential safety hazards with machinery/tools and notifies relevant staff</p> <p>Workstation – KC 2,3,4</p> <p>9 Helps set up work stations for team members and organize work materials.</p> <p>10 Completes basic documentation for work section.</p> <p>Teamwork – KC 3,4</p> <p>11 Is aware of workplace schedules and encourages co-workers to meet production demands.</p> |
|---|---|---|

QF 2025.01: Skill Levels, Task Skills & Underpinning Work Skills

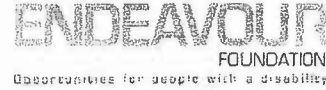
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|--|--|--|
| | <p>transporting large volumes of product in a truck (up to 8 tonnes GVM)</p> <p>9 Oversees small groups of employees for limited periods when supervisor is not present</p> <p>Spatial Skills – KC 1,3,5</p> <p>8 Uses higher level cognitive abilities to pre-plan, prioritise, organise and judge properties of a task such as; balance, safety issues and task resources required e.g. operating a forklift to load product from a ground level location to the next floor.</p> <p>11 Applies prior knowledge, judgement and spatial abilities over a wide range of conditions e.g. makes deliveries over long distances such as; 50km</p> | |
|--|--|--|

Mayer Key Competencies: (REPLACED BY AUSTRALIAN STANDARDS)

1. Collecting Analysing & Organizing Information – KC 1.
2. Communicating Ideas & Information – KC 2.
3. Planning & Organising Activities – KC 3.
4. Working with Others & In Teams – KC 4.
5. Using Mathematical Ideas & Techniques – KC 5.
6. Solving Problems – KC 6.
7. Using Technology – KC 7.

AD-6 “Copy of Assessment for Supported Employee”

QF 2025.08: Greenacres Wage Assessment Report



| | | | | |
|---|-------------|------------|--------------|-------------|
| Wage Assessment Report completed for | [REDACTED] | | | |
| Date of Birth | [REDACTED] | | | |
| Employed at Endeavour Foundation Industries | Rockhampton | | | |
| Wage Assessment completed (Date) | 24/03/2016 | | | |
| Report Results | A | A | Competent | A Competent |
| | UWS | Task Skill | Productivity | Result |
| New Hourly Rate of Pay | \$3.374000 | | | |

| | | | | |
|--------------------------------------|--|--|--|--|
| Date Delivered | 5/08/16 | | | |
| Delivered by | [REDACTED] | | | |
| Position Title | Employment Coach/Program Support Officer | | | |
| Delivered to | [REDACTED] | | | |
| Delivery Method (circle appropriate) | Meeting | | | |
| | Phone & post | | | |
| | Other (describe) | | | |

QF 2025.08: Greenacres Wage Assessment Report

Wage Assessment Tool Summary

Endeavour Foundation is utilising the Greenacres Competency Based Wages System as an interim measure to assess Supported Employees employed to work within our sites throughout Australia through the federally funded Australian Disability Enterprises program.

The Competency Based Wage System was developed in conjunction with the then Australian Liquor, Hospitality and Miscellaneous Workers Union (LHMU), now United Voice. The goal of the system is to remunerate employees with disabilities in a fair, objective and equitable manner.

The following details the **three distinct areas** of work performance that are assessed and remunerated accordingly.

The 'system' rewards employee development within **two (2) parallel streams**, the conditions of which must both be satisfied for wage movement. The parallel streams include; Task Skills and Underpinning Work Skills (UWS). Task Skills are those specific skills undertaken to directly complete a job, whilst UWS are general vocational skills necessary to maintain successful employment. Examples include; teamwork, punctuality and working consistently. The inclusion of UWS as a determining factor of people's wages highlights the unique needs presented when employing persons with disabilities.

The **third opportunity** available to employees for wage movement is based on gains in Productivity. This avenue further contributes to the unique nature of the system, as productivity is generally measured against rates produced by Peers. This is opposed to the more traditional measures of productivity, which are made against rates yielded by able bodied persons.

QF 2025.08: Greenacres Wage Assessment Report

The Process

In order to enhance transparency within the process, the assessment undertaken has been conducted by a mixture of onsite staff and the Wage Implementation Team (WIT) member who has been allocated to the site.

The WIT member allocated to this site has utilised the Greenacres methodology to designate the grades for each of the onsite tasks which has ensured consistency across Endeavour Foundation's ADE's. The WIT member then assisted and supported the site staff in implementing the Greenacres methodology to assess UWS and to conduct the productivity element of the assessments.

The WIT member who verified this assessment is;

| | |
|-----------------------|------------|
| Name | [REDACTED] |
| Contact Number | [REDACTED] |

The Employment Coach and the WIT member have been formally trained in the process and hold a Certificate of Attainment from Greenacres.

In order for Endeavour Foundation to deliver consistent and appropriate assessments, the Wage Implementation Team verifies the process undertaken on site and also assists the site when issues within the process arise.

The overall process has been designed to be integrated into the sites existing processes and utilises a mixture of observation, and productivity testing. Evidence is collected using existing documents such as training forms, Safe Work Practices, checklists & Progress Notes.

QF 2025.08: Greenacres Wage Assessment Report

| | |
|----------------------------------|-------------------------|
| Wage Assessment for | [REDACTED] |
| Assessment conducted over | 24/12/2015 – 24/03/2016 |

Element 1: Task Skills Assessment

| | |
|----------------------------------|---|
| Task Skill Level Attained | A |
|----------------------------------|---|

There are 5 levels within the Wages system (A – E) each skill level indicates progressively more complexity in the task skills regularly undertaken by the Supported Employee. Assessing task skills involves the examination of what is happening within the task in terms of; physical actions, cognitive processes, planning and problem solving to name a few.

The tasks combined to determine the level for this assessment are:

| Task Skill Name | Skill Level |
|--------------------------------------|--------------------|
| Painting Pegs with a Brush – SWP 089 | A |
| | |
| | |
| | |

Task Skill Level Details

Task Skill Level A

Tasks which demand a variety of basic skills.

Together with manual tasks, this skill level includes relatively simple machine operation

Fine Motor Skills

- 1 Basic hand/eye co-ordination.
- 2 e.g. can hold one item and complete task with remaining hand. Elementary level of dexterity i.e. holds items firmly or gently as required.
- 4 Placement of items/objects into bags, containers, boxes, jigs etc.
- 5 Basic assembly (with/without a match to sample item and/or jig).

Gross Motor Skills

- 1 Basic hand/eye co-ordination e.g. can hold one item & complete task with remaining hand.
- 3 Basic gross motor skills e.g. pull a lever to a set level, press buttons/foot pedals.
- 4 Placement of items/objects into bags, containers, boxes, jigs etc.
- 5 Basic assembly (with/without a match to sample item and/or jig).

QF 2025.08: Greenacres Wage Assessment Report

Machinery/Tools

- 7 Use of basic tools (if automated, a jig/template would be in place) e.g. guillotine, spanner.
- 9 Basic machinery operation e.g. heat sealer, stapler (with/without use of a jig/template).

Spatial Skills

- 8 Recognises concepts such as; on/off, front/back, top/bottom, basic colours.

Language Literacy & Numeracy

- 6 Counting to 10 (with/without use of a jig).
- 10 Organises a limited number of items (2-3) into sequential order.

QF 2025.08: Greenacres Wage Assessment Report

Element 2: Underpinning Work Skills

| | |
|--|---|
| Underpinning Work Skills Level Attained | A |
|--|---|

To assess these skills **Underpinning Work Skills Assessment (QF 2025.02)** was used and completed independently by both the sites' Employment Coach and the Supported Employees Supervisor. Once each person completed their assessment, they met to discuss the final result.

You have achieved the UWS specifically required to suit your Task Skills, Good Work!

Specifically, it has been noted that you have achieved well in the following UWS areas;

Independent Work Practice

- 1 Completes 1 task to 100% performance criteria.
- 2 Demonstrates the ability to work in variable work environments.

Element 3: Productivity

| | |
|-------------------------------|------------------|
| Productivity Attained | Competent |
| How was this measured? | Calculated/Timed |

How is productivity measured through timings?

To demonstrate how productivity is assessed the following example will illustrate the procedure.

1. Output from a group of Supported Employees undertaking the same task is measured in the appropriate way (Task dependant).
2. Once the output data has been collected, the average of the group's total is calculated.
3. The average represents the mid-point of the Competent Band. For example if the average was 100 units per hour, this would be the group average.
4. Using this example the Competent Band represents 50% range around the midpoint i.e. anyone producing between 76- 124. Supported Employees consistently producing output within this range would then be assessed within the Competent Band for their particular Skill Level.
5. Any Supported Employees consistently producing above or below the minimum and maximum amounts in the Competent Band are then assessed in the Entry or Advanced Band as appropriate.

Resultant Pay rate

All of these three (3) elements are then combined to create a percentage outcome which is then calculated as a percentage of the Supported Employment Service Award 2010.

QF 2025.08: Greenacres Wage Assessment Report

For the year 2016 Endeavour Foundation is not reducing the Pay of Supported Employees where their current pay rate as previously assessed is higher than the Greenacres assessment.

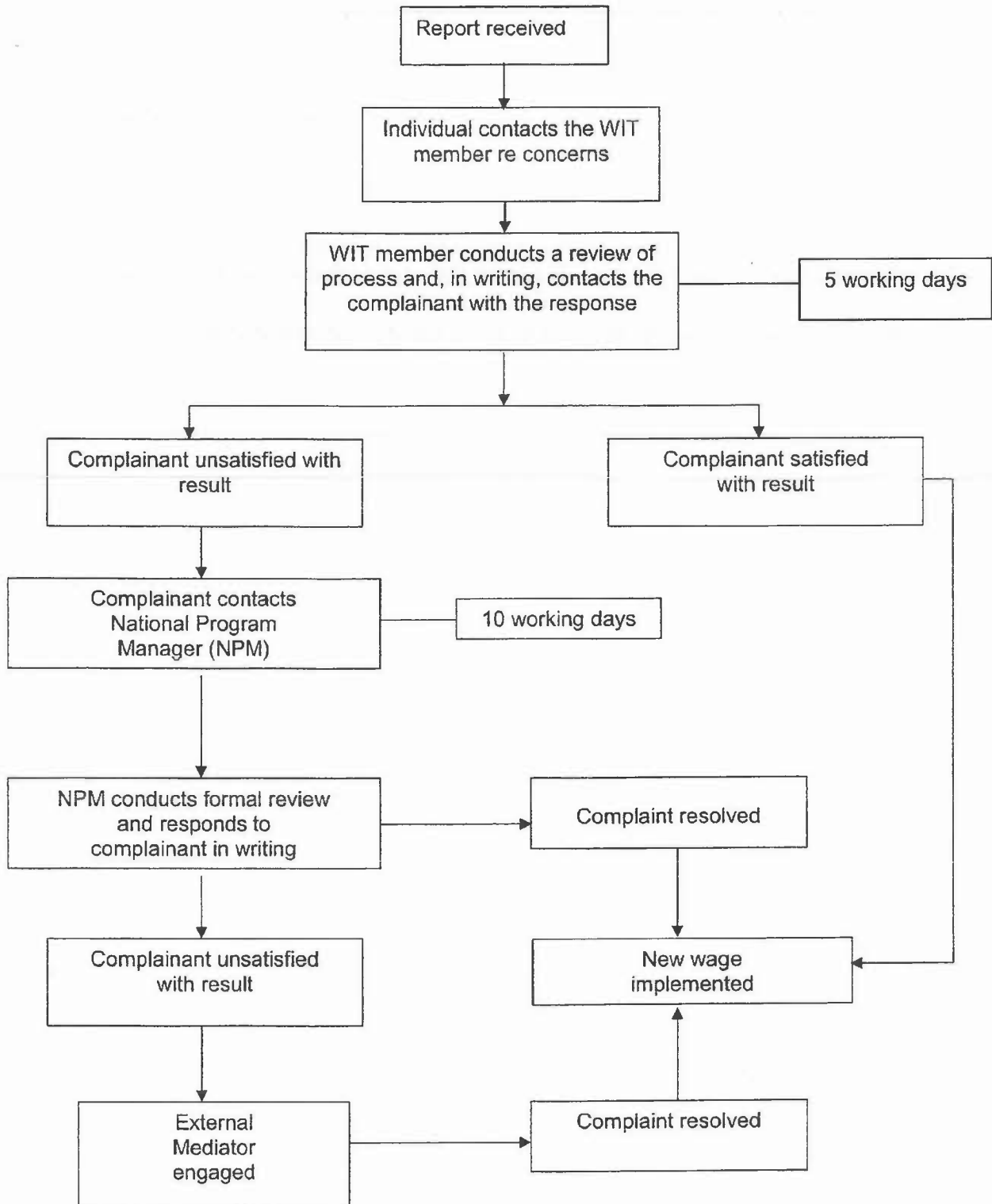
Process Concerns

If a Supported Employee or a person supporting them has concerns with how this process has been undertaken they should contact the WIT Member using the number provided on page three (3) of this report.

The WIT member will undertake an initial review and contact the National Program Manager and the complainant in writing providing the results of their initial review. If, following the initial review the complainant is not satisfied they should contact the National Program Manager who will record a formal review request on behalf of the complainant and will then formally review the assessment process undertaken. The complainant will receive a written response once the review is completed. This is expected to take place within 10 working days of receiving the formal review request.

QF 2025.08: Greenacres Wage Assessment Report

Concerns Process Review Request Flow Chart



QF 2025.02: Underpinning Work Skills Assessment

| | | |
|----------------------------------|--------------------|-----------------|
| Supported Employee's Name | [REDACTED] | Skill Level: A |
| Staff Name, Position & Signature | [REDACTED] EC/PSO. | Date: 8/02/2016 |

The following table gives an explanation of underpinning work skills and associated criteria for performance that apply to Skill Levels A-E.

Final Result

| Skill Level | Competency | Criteria for Performance | Meets Criteria | Comments (if criteria not met) |
|---|---|--|-----------------|-----------------------------------|
| | | | Y / N ✓ or - | |
| Training & Support | Attitude to work and co-workers KC 4 | Attends work each day or notifies reason for absence. | Y | |
| | | Comes to work area on time. | Y | |
| | | Readily undertakes work tasks. | Y | |
| | | Recognises the work environment and responds accordingly. | Y | |
| | | Demonstrate the ability to work with others. | N | Likes to work alone |
| | | Does not significantly distract others when working. | N | Can do – noises, thumping tables. |
| | Willing to learn KC 4 | Demonstrates a positive response to training programmes and work duties assigned. | Y | |
| | Follow instructions KC 4 | Accepts supervisor/trainer as authority on the job. | Y | |
| | | Acknowledges having understood instructions. | N | Profoundly deaf. |
| | | Able to follow instructions | N | With gestures. |
| | Dress and WHS KC 3 | Wears appropriate attire for the work environment paying regard to WHS requirements. | Y | |
| | | Demonstrates willingness to learn basic safety rules. | Y | |
| | Expressive communication KC 2 | Expresses own needs clearly to relevant staff. | N | Has problems |
| | Independent Work Practice KC 3 | Completes 1 task to 100% performance criteria. | Y | |
| Demonstrates the ability to work in variable work environments. | | Y | | |

QF 2025.02: Underpinning Work Skills Assessment

| Skill Level | Competency | Criteria for Performance | Meets Criteria | Comments (if criteria not met) |
|---------------------|---|--|-----------------|-----------------------------------|
| | | | Y / N ✓ or - | |
| A | 100% of Training & Support Skill Level plus 80% A: | Completes 4 tasks to 100% criteria to move to Skill Level A | | |
| | Independent work practice KC 3 | Works with close ongoing supervision. | | |
| | | Works without supervisor present for limited periods (i.e. approx., 5 minutes). | | |
| | | Continues to work when distractions are present for limited periods. (i.e. over period of a few minutes). | | |
| | | Remembers instructions minutes after they are given. | | |
| | | Makes basic decisions regarding own work (e.g. can distinguish between basic components of a task as faulty or not). | | |
| | Working consistently KC 3 | Stays on task during key production periods. | | |
| | Flexibility KC4 | Moves to a new task with clear directions. | | |
| | Quality Control KC 6 | Can check own work and recognize errors. | | |
| | WHS KC1 | Follow basic safety procedures e.g. follows evacuation drill procedure. | | |
| Workstation KC 3 | Maintains a clean & tidy workstation. | | | |
| Teamwork KC 4 | Demonstrate positive interaction with co-workers. | | | |

QF 2025.02: Underpinning Work Skills Assessment

| Skill Level | Competency | Criteria for Performance | Meets Criteria | Comments (if criteria not met) |
|---------------------|---|---|-----------------|-----------------------------------|
| | | | Y / N ✓ or - | |
| B | 100% of Training & Support and 'A' Skill Level plus 80% B: | | | |
| | Independent work practice KC 3 | Makes basic decisions regarding own work and acts on them e.g. tools, equipment malfunctioning. | | |
| | | Remembers instructions from day to day. | | |
| | Working consistently KC 2,3 | Regularly produces predictable output levels. | | |
| | | Requests more work as supplies are depleted. | | |
| | | Works consistently with moderate supervision (i.e., 1-2 hourly). | | |
| | Flexibility KC 4 | Moves to a new task promptly | | |
| | Quality Control KC 2,6 | Notifies relevant staff of identified errors | | |
| | WHS KC 1 | Recognises and obeys safety signs | | |
| | | Wears appropriate protective equipment | | |
| Workstation KC 3 | Performs limited housekeeping functions in work area | | | |
| Teamwork KC 4 | Demonstrates maintenance of work pace with co-workers/team | | | |

QF 2025.02: Underpinning Work Skills Assessment

| Skill Level | Competency | Criteria for Performance | Meets Criteria | Comments (if criteria not met) |
|-------------|---|--|-----------------|-----------------------------------|
| | | | Y / N ✓ or - | |
| C | 100% of Training & Support, A, B Skill Level plus 80% C: | | | |
| | Independent Work Practice KC 2,3 | Makes basic decisions for work team e.g. sourcing basic safety supplies | | |
| | | Requests explanation and clarification of instructions when necessary | | |
| | | Accepts responsibility for own work performance | | |
| | Working consistently KC 3 | Produces consistent output levels | | |
| | | Works consistently with intermittent supervision (approx. 3 x daily) | | |
| | Flexibility KC 4 | Responds promptly to urgent requirements of work section | | |
| | Quality Control KC 6 | Checks components and/or machinery are in good working order | | |
| | WHS KC 1,2 | Advises co-workers of safety requirements of task being undertaken | | |
| | Workstation KC 3,7 | Sets up own workstation with intermittent supervision | | |
| | | Locates jigs, tools and work supplies for work section | | |
| | Teamwork KC 4,6 | Communicates in an equitable manner across all co-workers | | |
| | | Demonstrates the ability to solve basic problems or notifies relevant staff as necessary | | |

QF 2025.02: Underpinning Work Skills Assessment

| Skill Level | Competency | Criteria for Performance | Meets Criteria | Comments (if criteria not met) |
|---|---|--|-----------------|-----------------------------------|
| | | | Y / N ✓ or - | |
| D | 100% of Training & Support, A, B, C Skill Level plus 80% D | | | |
| | Independent Work Practice KC 2,3 | Makes basic decisions for work team | | |
| | | Requests explanation and clarification of instructions where necessary | | |
| | Working consistently KC 2,4 | Encourages co-workers to maintain on-task behavior | | |
| | Flexibility KC 4 | Recognises urgent requirements of work section | | |
| | Quality Control KC 6 | Checks work completed by co-workers and notifies relevant staff where quality does not meet specifications | | |
| | WHS KC 1 | Demonstrates awareness of potential safety hazards within work section | | |
| | Workstation KC 1,4 | Recognises need for replenishing work supplies as necessary for work section | | |
| | Teamwork KC 3,4 | Demonstrates understanding of production sequence for the work section and the associated responsibilities of each team member | | |
| Demonstrates a positive approach across all employees and staff | | | | |

QF 2025.02: Underpinning Work Skills Assessment

| Skill Level | Competency | Criteria for Performance | Meets Criteria | Comments (if criteria not met) |
|--------------------|---|---|-----------------|-----------------------------------|
| | | | Y / N ✓ or - | |
| E | 100% of Training & Support, A, B, C, D Skill Level plus 80% E | | | |
| | Independent Work Practice KC 2,3 | Makes basic decisions for work section | | |
| | | Requests explanation and clarification of instructions where necessary | | |
| | Working consistently KC 2,4 | Encourages co-workers to maintain on task behavior | | |
| | Flexibility KC 4 | Takes independent action to meet urgent requirements of the work section | | |
| | | Able to work in different work sections as required | | |
| | Quality Control KC 6 | Checks work completed by co-workers and corrects where necessary | | |
| | WHS KC 1,6 | Has sound knowledge of general WHS issues and rules Identifies potential safety hazards with machinery/tools and notifies relevant staff | | |
| | Workstation KC 2,3,4 | Helps set up work stations for team members and organize work materials. | | |
| | | Completes basic documentation for work section. | | |
| Teamwork KC 3,4 | Is aware of workplace schedules and encourages co-workers to meet production demands. | | | |

AD-7 “Supported Wage System Handbook July 2017”



Australian Government



Supported Wage System Handbook

July 2017

Disclaimer

Supported Wage System operates within the Australian industrial relations framework, therefore people wishing to use the Supported Wage System provisions must ensure that they are able to do so in accordance with their applicable industrial award, enterprise agreement or other instrument.

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Section 1 Supported Wage System Overview

Introduction

The purpose of the Supported Wage System (SWS) is to provide a process for reliable and independent work productivity assessments to enable people whose work productivity is reduced as a result of their disability, to obtain employment. Many people with disability obtain employment in the open labour force at full award wages but for some people, the nature of disability can significantly affect their productive capacity. People in such circumstances may require a process of productivity assessment to obtain employment. SWS can also be used to determine productivity based wages to employees in Australian Disability Enterprises (ADEs).

The SWS productivity assessment process provides a method to assess the productivity of the employee against Basic Performance Standards of other employees without disability undertaking the same tasks or duties in the workplace.

The SWS was introduced in 1994. It was developed in consultation with the relevant industrial authorities, employer, trade union and disability peak bodies, government departments and specialised employment agencies for people with disability.

Key principles of the Supported Wage System

Industrial framework and conditions

The SWS must operate within federal and state workplace relations laws. People with disability who access the SWS retain the same employment conditions as their fellow employees under the relevant industrial instrument, for example a modern award or an enterprise agreement. The assessed percentage of productivity applies only to the wage rate.

The SWS was designed to use industrial instruments and principles of wage settings that apply to all other employees in the national and state workplace relations systems.

Equity of application

The SWS must be equitable in its application, in relation to both employees with disability and those without disability.

Limits of use

Only when it is clear that a person with disability is unable to work at full productive capacity compared to that of another employee without disability, who performs the job at the Basic Performance Standard, is a SWS productivity or pro-rata wage to be used. The presence of disability in itself does not justify a pro-rata award wage.

The SWS should not be used to reduce the wages of people with disability already in jobs, however, it may be used to assist people whose continued employment at full award wages is at risk, subject to conditions (see Assistance for People in a Job at Risk).

Only people eligible to participate in the SWS are to use it and it is not applicable to other employees, particularly to other disadvantaged job seekers without disability. The SWS is intended to be simple and practical to use.

It is essential that employees are not pre-determined as capable of performing at a certain wage level and then placed in jobs.

A SWS productivity rate can be determined by assessment of the performance of a particular individual in a particular job. The SWS is not intended for contractors, short-term or temporary jobs in which the core duties and tasks often change.

One person's SWS productivity assessment cannot be applied to other employees with disability performing similar duties, or to the same employee in another job.

Applications for SWS require that:

- the job under consideration is covered by an industrial instrument or legislative provision that permits employment under the SWS provisions
- the person is an Australian citizen or is a person resident in Australia whose continued presence is not subject to a time limit imposed by Australian law (e.g. a temporary visa)
- the person is at least 15 years of age
- the person has no outstanding workers' compensation claim against the current employer
- the person meets the impairment criteria for the Disability Support Pension (DSP) as determined by Centrelink, and
- the job being offered is for a minimum of eight hours per week.

The Department of Social Services' Supported Wage Management Units (SWMU) approve applications for SWS. Applications are submitted online via [JobAccess](#). The employer is responsible for ensuring it is lawful to employ a person under SWS provisions for the job in question.

Eligibility of People not in Receipt of the DSP

When a SWS applicant is not in receipt of the DSP and either:

- does not wish to apply for DSP;
- or is not eligible for DSP on non-impairment grounds (e.g. age, residency, income or assets)

the SWMU will request Centrelink to arrange for a SWS eligibility test against the impairment criteria for the DSP. This is not the same as a DSP eligibility assessment.

Management of the System

Day-to-day management of the SWS is performed by SWMU staff at the Department's State and Territory offices. The SWMU's key responsibilities are to:

- quality assure, confirm eligibility of participants and approve applications for SWS
- facilitate approval to enable payments for SWS assessments and the SWS Employer Payment
- provide for the conduct of audits of SWS applications and assessments performed by approved SWS assessors
- check for accuracy and timeliness of the wage assessment process and outcomes, and
- appear before industrial tribunals, such as the Fair Work Commission or a state tribunal, where required.

Assistance with interpreters

If you need help to communicate, you can use the Translating and Interpreter Service on telephone **13 14 50**. If you have a hearing, sight or speech impairment, you can use the Speech-to-Speech Relay through the National Relay Service on **13 36 77**. If you are an employee who uses Auslan to communicate, the Australian Government's Employment Assistance Fund (EAF) can help with the costs of Auslan interpreting for SWS assessments.

Assistance for Employers

SWS Employer Payment

If an employee completes a minimum period of work in a new job under SWS provisions, without any support from a government funded employment service providers (including ADEs, Disability Employment Services (DES) or jobactive), their employer may be eligible to receive a payment.

This is a one-off payment to offset some of the costs of training and supervising a new employee with disability under the SWS.

A payment of \$1,000 is available for eligible unsupported SWS employment of 13 weeks at a minimum of eight hours per week.

Eligibility

A SWS Employer Payment may be payable where:

- a SWS Application has been approved, confirming the placement meets SWS eligibility requirements
- the initial SWS productivity assessment has been completed, and a valid SWS wage assessment agreement for the employee has been signed by the parties to the agreement
- the employee is not supported by a government funded employment service (e.g. ADE, DES or jobactive)
- the employer is not a related entity of a government funded employment services provider
- the employer has not previously employed the employee
- a wage subsidy is not paid to the employer for this employee
- the SWS placement is not a 'job at risk'.

Payment can be made after the employer has provided the SWMU with a tax invoice for the relevant amount (GST inclusive) and confirmed that the employment has been for the required period and minimum number of hours. Calculation of the minimum period of employment commences from the date the initial SWS wage assessment agreement is signed.

Assistance for Supported Wage System Employees

Employer Payment of the Productivity-based Wage

The employer will pay the assessed wage and superannuation as required. Payment of the assessed wage is made to the employee in the same way as other employees who do not participate in SWS.

JobAccess website

The JobAccess website is a one-stop shop for all matters relating to the employment of people with disability. More information about SWS and other disability services can be found at [JobAccess](#) or by phoning **1800 464 800**.

Employment Assistance Fund

The Employment Assistance Fund (EAF) is designed to help employers accommodate employees with disability. The EAF reimburses employers for the cost of special equipment or adjustments needed to accommodate an employee with disability in the workplace. Financial assistance for the provision of Auslan interpreters and disability awareness training is also available from the EAF. More information can be found at the [JobAccess](#) or by phoning **1800 464 800**.

Retention of Pensioner Concession Card

Recipients of DSP are entitled to the Pensioner Concession Card (PCC). More information about the Pensioner Concession Card can be found at the [Department of Human Services](#) website.

Mobility Allowance

SWS employees may be entitled to Mobility Allowance. Mobility Allowance, which provides assistance to people with disability who are in paid employment, voluntary work or vocational training, undertaking independent living/life skills training or a combination of paid work and training

and who are unable to use public transport without substantial assistance. More information about Mobility Allowance can be found at the [Department of Human Services](#) website.

Workers' compensation

Employers are required to provide workers' compensation insurance for all employees. This includes potential SWS recipients who are working in the Trial Period and those employed after the SWS productivity assessment.

Nominee

An employee may choose to involve a nominee in any stage of the job placement or SWS productivity assessment process. This general advocacy role may be carried out by any person nominated by the employee.

Where a signature is required, such as on the wage assessment agreement, and the applicant is presently unable to provide it, the person signing must be someone nominated in accordance with the relevant state laws to sign documents on the applicant's behalf.

Trial Period before the SWS Productivity Assessment

It is expected that people with disability will acquire work skills and competencies at varying rates. Some people may have a 'learning curve' that climbs steadily for many weeks, others may learn the basic skills or competencies more quickly and their performance may plateau earlier.

A period of specialised on-the-job training will usually be required for most people using the SWS before an initial productivity assessment is conducted.

For this reason, and to enable consideration of the overall suitability of the job placement, provision has been made for a Trial Period of up to 12 weeks, to a maximum of 16 weeks. The extension of the Trial Period to 16 weeks is only acceptable when it is for the benefit of the employee undergoing the SWS assessment, such as due to absence from work because of illness or where it is expected that the person could further improve work performance in a short period.

There is no specified minimum time for the Trial Period. The parties may elect to proceed with a SWS assessment at an early stage, if the employee is considered to be settled in the job, familiar with their duties and has sufficient experience in the work required.

A negotiated wage is to be paid by the employer to the employee during the Trial Period. The trial wage must be at least the Federal minimum SWS weekly wage, and should ideally reflect the expected productivity levels for the Trial Period. The SWS minimum wage changes on 1 July each year and is available from the [Fair Work Ombudsman](#) website or by contacting the Fair Work Infoline on **13 13 94**. On 1 July 2017, the SWS minimum wage was \$84 per week.

Depending on the anticipated productivity in the Trial Period, it is desirable that the trial wage not be substantially lower than the actual assessed wage. This is particularly relevant where the person has prior experience relevant to the job in question.

The wage in the Trial Period will apply until the productivity assessment is conducted and wage assessment agreement is signed by the workplace parties. The date, or dates, on which the assessment will take place will be agreed upon by the employer, the trial employee and the SWS assessor.

It is important that the employee is not persuaded to undertake a SWS productivity assessment before they are ready, or to delay an assessment, with the employee remaining on a training wage for longer than necessary.

The specialised training in the Trial Period is in addition to any other standard training normally provided to employees at the relevant workplace.

Many people will continue to receive training, specialised and general, after the SWS assessment is complete, in accordance with the normal award or industrial agreement provisions.

Who Conducts the SWS Productivity Assessment?

Assessments are undertaken by providers contracted by the Department of Social Services to perform SWS assessments. Assessors are required to have minimum qualifications and experience (see 'Approval SWS Assessors' below).

The role of the SWS assessor is to work cooperatively in the workplace and not seek to impose a primary decision-making or arbitration role.

The SWS assessment process must be conducted in a manner which ensures the employer and the employee has a strong sense of ownership of the outcome.

As specified in the relevant industrial provisions, the wage rate to be paid will be based on the result of a SWS assessment of the productive capacity of the employee with a disability. Applicable industrial provisions allow for the productive capacity of the employee to be assessed by the employer, the employee and the SWS assessor.

An assessment of the employee productive capacity will be made following the Trial Period. This will be used to determine the appropriate rate of pay, consistent with the procedure outlined above.

At this point, the employer can decide to enter into an ongoing employment arrangement with the employee.

If agreement cannot be reached on the outcome of the productivity assessment, then no employment contract can be made under the SWS provisions.

Approval of SWS Assessors

To be an approved SWS assessor requires certain prerequisite skills, training and experience. Assessors require a minimum of two years practical experience in the disability employment or related sectors, and an Australian recognised education qualification (at a minimum of diploma or higher level) in one of the following fields:

- Occupational Therapy
- Psychology
- Physiotherapy
- Rehabilitation Counsellor
- Vocational training, or
- Other diploma or higher level qualification which the Department considers is relevant to providing the required SWS assessments.

The Department of Social Services contracts a panel of SWS Assessment Service Providers to conduct SWS Assessments.

SWS Review Assessments

Where an employee with disability is employed on a SWS productivity-based wage, the person's productivity should be reviewed on the basis of a reasonable request for such a review or, at least, annually. This ensures that changes in the employee's productivity are reflected in the wage rate.

Where agreement cannot be reached about the need for an early review (between the employer and the employee and/or the employee's nominee), the dispute mechanisms available in the workplace or industrial jurisdiction may be used. Otherwise, the assessed productivity rate will stand until the next review.

The majority of SWS Review assessments are allocated to SWS Assessors approximately 9 weeks before the date the assessment is due.

Where a SWS review assessment is scheduled, the employer, employee and union representative or assessor will re-examine the work undertaken and the current level of productivity. On the basis of this review, the parties will reassess the percentage of the full award wage paid to the employee and either agree to amend or retain the current assessed productivity rate which is applied to the wage.

If a party to the SWS wage assessment disputes the result, they may submit a written request to the Department's SWMU outlining why the assessment should be reconsidered.

If agreement between the parties to the assessment cannot be reached on the assessment outcome, the employment contract under SWS provisions will lapse 30 calendar days after the date of their last assessment. It will be a matter for the parties involved as to whether they wish to enter a new contract based on the general industrial provisions, or whether they wish to use avenues generally available under the industrial relations system to resolve any areas of disagreement as to the operations of the industrial provisions for the SWS.

Cost and Content of Reviews

The Australian Government will pay the cost of SWS wage assessments for each employee. This includes initial assessments and annual reviews.

Reviews will require examination of the main elements of the previous SWS productivity assessment, including the tasks and duties performed, the suitability of the performance standards and the productivity results of the employee against those standards.

Where an employment services provider is funded to support the person at work, this service provider would usually offer to assist in the assessment process.

Since the record of the previous productivity assessments and reviews will normally be available to SWS assessors, the later reviews may be simpler and shorter than those conducted earlier.

Date of Commencement of the Assessed Wage

The operative date of the wage agreement is the date the wage assessment agreement is signed by the employer, employee (or nominee) and either a union representative or SWS assessor.

Assistance for People in a Job at Risk

Occasionally the continued employment of an existing employee at full award wages may be at risk. This may occur when, for example:

- A person with disability finds a job, perhaps with the assistance of an employment services provider, and it is likely (but not certain) that an award-wage level of achievement can be reached. The employer, however, agrees to pay full award wages from the outset.

The person then enters work but is unable to achieve award-level productivity, despite reasonable adjustments being made, for the following reasons:

- a person acquires a disability outside the workplace (for example, a stroke or multiple sclerosis) and the person's capacity to work is reduced
- a person's existing disability is worsening and has reduced the person's capacity to work, or
- due to a change in business operating conditions or the job is substantially restructured or removed.

There may be a need to reassess the residual job functions or to consider assessing a new position for the employee. Where a pro-rata wage is considered the most appropriate option, an employee at risk of unemployment may be covered by the provisions of the SWS subject to meeting each of the following five conditions:

- the person agrees to participate in the SWS
- the person does not have a pending or current employee compensation claim against the employer
- the person meets all eligibility criteria for the SWS (including meeting the DSP impairment criteria)
- the employer has made reasonable adjustments to maintain the person's productivity, and
- the employee's SWS assessment confirms an inability to meet the agreed Basic Performance Standard for the job.

Disputes

If there is no agreement on the outcome of the initial SWS productivity assessment, the employer may choose not to offer the person employment under the provisions of the SWS. A disagreement between the employer and the assessor would not be subject to the industrial dispute mechanisms applying in the enterprise.

Once the employee has been engaged on SWS provisions, the dispute resolution mechanisms available to other employees in the workplace apply. The relevant industrial relations body has jurisdiction over disputes that a SWS employee may have with an employer. A nominee of the SWS employee may be involved to ensure the interests of the employee are adequately represented.

If one or more parties disagree with the SWS productivity rating, they need to try to discuss their different views, and seek to resolve them and reach agreement. If they fail to reach agreement, they may submit a request for a review of the SWS assessment process, with the SWMU in their State or Territory. A request for a review can be lodged by the employer, employee, employee's nominee or a union representative. The request must be in writing (email is acceptable) and must outline the specific parts of the SWS assessment process which they would like reviewed, making reference to the requirements for conducting SWS assessments outlined in the SWS Handbook. It is not sufficient to base a request for review on disagreement with the result alone. Grounds for requesting a review of the assessment must include evidence that the assessment was not conducted in accordance with the SWS Handbook and that it would result in significant disadvantage to the employee and/or the employer.

The Department will respond to requests for review within 21 calendar days. The Department will not change the productivity rating, but may request that a SWS assessor conduct parts of the assessment again or in cases where there is clear evidence that the assessment was not properly conducted, may request a new assessment.

A Scenario of how people will enter the Supported Wage System

Use of the SWS can be initiated in a number of ways. Many people with disability are clients of employment services providers, who can help facilitate the application for SWS. However, people who are not registered with an employment services provider may also use the SWS.

Below are key procedures for participation in the SWS. These use a typical scenario (See Section 2 for more details).

Background

In this scenario, the applicant receives the DSP and is a client of an employment services provider. It is thought, provisionally, that the employee will not be able to work at the full award wage rate as many unsuccessful attempts have been made to secure employment at full award rates. A likely job has been found, and is covered by SWS provisions that permit employment at pro-rata wages.

Pre-employment steps

The applicant contacts the [Fair Work Commission](#) or **1300 799 675** to confirm the job is covered by the SWS provisions, or checks the employer's current industrial instrument and its SWS provisions.

The applicant visits [JobAccess](#) to check the requirements of participating in SWS and confirms the employee meets the key eligibility requirements for the SWS.

The applicant or employment service provider completes the SWS application online at [JobAccess](#).

On receipt of the application, the SWMU verifies that the employee meets the impairment criteria for receipt of DSP or is in receipt of DSP, and checks that other eligibility criteria have been met.

The Department will notify the applicant when an application is approved or declined.

Commencement of the Trial Period

The employee begins work for the Trial Period and advises Centrelink of any change in circumstances (the rate of DSP paid may need to be altered for this period to take account of the wages paid).

The assessor must ensure that the employer and the employee understand the implications of SWS and agree on a time for the SWS assessment to be undertaken. If a pro-rata award wage is shown to be necessary, and is accepted by those involved, the SWS wage assessment agreement is signed and a copy provided to the employer and employee. The assessor also provides a copy to the employment service provider and union if requested. The employer should send a copy to the relevant industrial authority, if this is a requirement stated in their industrial instrument. Note that it is not always necessary to send the wage assessment agreement to the industrial authority.

The employee commences work at the agreed assessed wage. The SWS wage assessment agreement takes effect immediately when it is signed by the employer, employee and SWS assessor.

Work after the Wage Assessment Agreement Begins

Payment of the pro-rata wage commences from the date the SWS wage assessment agreement is signed. The employee or their nominee advises Centrelink of the agreed wage.

An anticipated date for the review of the wage assessment is agreed between all parties. This date can be varied by local agreement, but must generally be within a year following the assessment (see Section 2, 'Review Date Negotiated'). A work order to conduct a review assessment will be generated and issued to a SWS provider approximately nine weeks before the review date, so that the assessor has time to complete the preliminary research about the duties, work classification, industrial instrument, workplace requirements, and so that the employer and employee can prepare for the assessment to take place in the workplace.

Section 2 How to Use the SWS Administrative Procedures

Eligibility and Funding Procedures

The SWS procedures apply whether a person is registered with an employment services provider or not (the key steps in the wage assessment process are summarised later in this section).

Contacting the Supported Wage Management Unit

The employee, employer or employment service provider can contact the SWMU by phone on **1800 065 123**.

Making the Application – Role of the Employment Service Provider

The online SWS application form can be found on the [JobAccess](#). The employment services provider (or employer, where no government funded employment service is involved) completes and submits the application form online.

The SWMU Processes the Application

The SWMU:

- confirms the employee meets the DSP impairment criteria (SWMU may contact Centrelink to confirm this), or that they are in receipt of DSP
- checks all other eligibility criteria have been met, and
- approves or declines the application.

Advice of Approval

The Department will notify the applicant of the outcome of a SWS application. Once approval has been given, the employee can commence the SWS Trial Period.

An Assessor is arranged

The Department's IT system generates and issues a Work Order to a contracted SWS Provider.

The provider accepts the Work Order and arranges for an Approved SWS assessor to make arrangements for the assessment.

Work Begins on a Trial Basis

The workplace parties negotiate a trial wage. A negotiated wage is to be paid by the employer to the employee during the Trial Period. The trial wage must be at least the Federal minimum SWS weekly wage, and should ideally reflect the expected productivity levels for the Trial Period. The SWS minimum wage changes on 1 July each year and is available from the [Fair Work Ombudsman](#) website or by contacting the Fair Work Infoline on **13 13 94**. On 1 July 2017 the SWS minimum wage was \$84 per week.

Alternatively, the employee may be assessed and begin employment almost immediately if it is agreed by the workplace parties that a Trial Period is not required.

Advising Centrelink of change in financial Circumstances of a Person in Receipt of DSP

Centrelink requires advice about the SWS employee's wage during the Trial Period, and any subsequent wage adjustments. The employment services provider should assist the employee in advising Centrelink, where required. Centrelink can be contacted by telephone on **13 27 17**, in writing or by visiting a Customer Service Centre. It is important to advise Centrelink within 14 days of a change of wages because the employee's earnings may affect the rate of DSP. More information can be found at the [Department of Human Services](#) website.

The Lead up to the Assessment

The SWS assessor negotiates a suitable date and time with the employee, employer and employment services provider for the assessment to take place. The employment services provider will usually make the arrangements with the employer and employee.

After the Assessment

After the assessment is agreed upon and a wage assessment agreement is signed, the employer sends the signed wage assessment agreement form to the relevant industrial authority (Industrial Registrar or the Fair Work Commission), if required. The employer and SWS assessor must be satisfied that the correct name of the industrial instrument under which the employee is being employed is entered on the SWS wage assessment agreement before sending it to the relevant industrial authority. The assessor may offer to send the SWS wage assessment agreement to the industrial authority on behalf of the employer.

If a union representative was not party to the wage agreement, the industrial authority sends a copy of the wage assessment agreement to the relevant union. If the union has not notified an objection to the industrial authority within 10 working days, it then advises the employer and the SWMU that the wage assessment agreement has been successfully filed.

The assessor always provides a copy of the wage assessment agreement form to the agreement parties (e.g. the employee, employer, the union representative if party to the agreement, and the employment services provider if agreed to by the employee).

The Date for Beginning to Pay the Assessed Wage

The date when the employer can legally pay the agreed pro-rata award wage is the date when the wage assessment agreement is signed. The employer should pay the agreed wage rate from this date and does not have to wait until notification has been received from the industrial authority that the wage assessment agreement has been filed.

Review Date Negotiated

The model SWS provisions specify that SWS reviews should occur annually and should be scheduled to occur within 12 months of the employee's previous assessment. However, in circumstances where it is not possible to complete a review within this 12 month period, the original assessment continues to apply until the review is undertaken. It should only ever be in exceptional circumstances that a review assessment is not undertaken within this 12 month period, for example, the employee is ill. To ensure compliance with the timeframes specified in the award or other instrument, assessors should ensure that reviews are conducted in a timely manner, to the extent that it is within their control.

An earlier review date may also be negotiated if there has been a significant change in work tasks or the productivity of the employee. Should the parties subsequently determine that this earlier review is unnecessary, the original wage assessment agreement will remain valid for 12 months.

Change in Financial Circumstances

The employee has a responsibility to advise Centrelink of any change in financial circumstances within 14 days of the change occurring.

Review of Assessments

A review may be held before the scheduled date if at least one of the parties wishes this to occur.

Approximately nine weeks before the review is due, the Department's IT system will generate and issue a work order to a SWS provider to make arrangements to undertake a review assessment.

It is the responsibility of the employer to ensure that a copy of the new wage assessment agreement is sent to the relevant industrial authority, if required by the industrial instrument. The employer and SWS assessor must confirm the correct name of the industrial instrument that the employee is employed under. This is entered on the new wage assessment agreement before it is signed and sent to the industrial authority. The employer may request the assessor send the wage assessment agreement to the industrial authority on their behalf. The assessor must advise the SWMU of any significant changes as a result of the outcome of the review when they submit their assessment report online.

Variation in Procedures for People who are not Receiving DSP

A person not receiving the DSP may choose to:

- apply for DSP, or
- not apply for DSP, but, at the SWS Application approval stage, the SWMU may request Centrelink to test whether they meet the medical impairment criteria for DSP to satisfy the SWS eligibility requirements.

If the applicant chooses to apply for DSP, the relevant form(s) can be downloaded from the [Department of Human Services](#) website) or collected by visiting a Centrelink Service Centre, or obtained by phoning the Centrelink Contact Centre on **13 27 17**. It is advisable that the applicant or their nominee obtains information from Centrelink on the claim process.

The applicant completes the claim for DSP and sends it to the local Centrelink office. Centrelink will contact the applicant about the claim.

If the person meets the DSP impairment criteria, the applicant, nominee or employment services provider informs the SWMU. The SWMU confirms the information with Centrelink.

The SWMU then processes the SWS application in the usual way.

If the person is not in receipt of DSP, the SWMU would notify the employment services provider (or SWS applicant) that they will send a request to Centrelink to determine the applicant's eligibility for the SWS.

If the outcome of the test indicates eligibility for participation in the SWS, the SWMU then processes the application as previously outlined.

The procedures that apply to people with disability who are in receipt of DSP and those who are not, are outlined in the following flowcharts.

Summary of SWS Process – Key Steps

1. Access the [JobAccess](http://www.jobaccess.gov.au) website (www.jobaccess.gov.au) or phone the Department of Social Services Supported Wage Management Unit (SWMU) (free call **1800 065 123**) for information.
2. Complete and lodge the application form on the JobAccess website.
3. The SWMU checks the employee's eligibility.
4. If the employee is not in receipt of the DSP and does not have a current medical impairment assessment then the SWMU contacts Centrelink for a SWS Eligibility Test.
5. If the employee meets the impairment criteria, then the SWMU approves the application on-line and confirmation is sent to the applicant.
6. The employee commences the Trial Period.
7. The SWS IT System assigns the assessment to a SWS assessment provider.
8. If the employee is on income support, the employee notifies Centrelink about the employment.
9. The SWS wage assessment is conducted and agreed, and lodged with the relevant industrial authority if required.
10. The SWS IT system automatically initiates annual productivity reviews thereafter. The SWMU can arrange an earlier review if requested.

Section 3 The SWS Productivity Assessment Process

Introduction

The productivity-based wage essentially requires a standard to be set of the productivity needed for the full rate of pay for the job, followed by an assessment of the employee's achievement against that standard.

An employment services provider may be involved in providing on-the-job support for the employee whose productivity is to be assessed. In practice, the SWS assessment may draw upon work already done by the employment services provider for the job placement.

An employment services provider often identifies and records the key duties of a job. This guides the training provided for the employee. The usual job placement process often includes a discussion about the performance standards required for the key duties. This information guides the employee's training strategy and also gives each party a clear understanding of what is required for the placement to succeed.

A productivity assessment requires extra attention to any training-oriented description of duties and the subsequent assessment of the employee against those duties.

An important goal of the productivity assessment process is that it be reasonably easy to use and causes minimal disruption to the workplace.

The assessment must also guard against prejudice or bias (discussed later in this section) and ensure a fair wage rate is identified. The method of arriving at the assessment must be capable of scrutiny by an independent third party.

Workplaces are dynamic and each is unique – not every variation in job design or all employee requirements can be foreseen. Judgement is required in applying the assessment method in each particular environment.

Described below is how a SWS wage assessment is expected to be conducted, and the role of key individuals in the process, including:

- a summary of the assessment process
- pre-assessment checks
- explanation of each step in the assessment, and
- next steps after the assessment.

It should be noted that the SWS is not intended for short-term contractors, short-term or temporary jobs and jobs where the core duties change often.

Summary of the Assessment Process

List the duties of the position

Where the duties and tasks are already identified within the workplace, they should be checked for accuracy, given the possibility of job-redesign in the Trial Period. Existing job descriptions or competency standards specific to a particular workplace can also save time when defining the job. In some cases, there may be consideration of the appropriate classification of the position.

Set a standard for each duty

The standards show what is needed to earn the minimum rate of pay under the relevant industrial instrument for each duty. In many cases, the most effective way to set a standard is by observing the standards of another employee performing the same duties in the workplace.

Establish the employee's achievement against the standards

The rate and quality of work in each duty are assessed.

Check the employee's time spent on each duty (hours per week)

In calculating the productivity rate, each duty the employee performs is weighted according to the amount of time spent on that duty (usually per week, but could be per day, per fortnight, etc.). Duties are time weighted so that poor performance on a minor duty (or vice versa) does not adversely affect the wage rate.

Calculate the Productivity Rate

The employee's achievement on each duty is compared with the workplace's standard for that duty:

- the comparative performance is then multiplied by the percentage of time spent on each duty. This gives a percentage of the award to be paid for each duty
- the final percentage of the rate of pay to be paid for each duty is added
- in some cases, the productivity rate may be adjusted for supervision and other work-related factors (see Optional Assessment Steps at the end of this section)
- the resultant figure, adjusted up or down to the nearest 10 per cent increment, is the percentage of the rate of pay in the relevant industrial instrument payable to the employee, and
- each party comments on the process (if it wishes to do so) and signs the wage assessment agreement.

Pre-Assessment Checks

The assessor will need to be satisfied before the wage assessment, that the required pre-assessment checks have been completed.

An employment service provider, where used, should check the items listed below (regardless of the anticipated use of full or pro-rata wages). The checks will occur before and during the job placement, as they are customary job-matching tasks for most people with significant disability.

Suitability of the employee and the Job Design

Is there an appropriate match between the individual and the job?

- Does the placement capitalise on the strengths and abilities of the employee, or does the placement place undue focus on areas of disability?
- The employee's freedom of choice and preferences should, of course, always be an integral part of this process.
- Are there any desirable changes to task allocation in the work team? Such changes may improve overall productivity and help match the employer's requirements and the abilities of the employee?
- The Employment Assistance Fund can provide reimbursement for the provision of necessary modifications to the workplace to assist with the employee's mobility or performance at work. More information can be found at the [JobAccess](#).

Reasonable Adjustment

Reasonable adjustments are alterations or modifications made to the workplace to assist an employee with disability to participate in employment on the same basis as others. Reasonable adjustments are given statutory force in the *Disability Discrimination Act 1992 (Cth)* and in other similar Acts at the state and territory levels.

Under the *Disability Discrimination Act (Cth)*, a failure to make reasonable adjustments for an employee with disability can constitute unlawful discrimination. An adjustment is 'reasonable' under the Act if it does not impose unjustifiable hardship on the employer. In determining whether an unjustifiable hardship would be imposed, all relevant circumstances of the particular case must be taken into account (including the factors set out in Section 11 of the Act).

Sometimes reasonable adjustments require more than modifications to the physical working environment. The manner in which reasonable adjustments are made will vary according to the needs of the employee with disability, the nature of the job, the physical setting, and the knowledge of people in the workplace. The provision of an appropriate modification to the workplace could mean the difference between a 60 per cent level of assessed productivity and an 80 per cent level.

An employer may make distinctions in regard to the terms and conditions of employment where an employee is unable to perform the inherent requirements of the job even if reasonable adjustments are made (see Section 21A of the *Disability Discrimination Act (Cth)*).

Training

The employee may require additional training or time in the workplace to meet the basic requirements of the job. This has been addressed by the inclusion of a Trial Period in the relevant industrial instrument containing SWS provisions. The type of industrial instrument the employee is operating under will determine the provisions for the Trial Period.

The SWS schedule contained in most modern awards allows up to 12 weeks as a training or settling-in period, before the initial assessment is required to be conducted. The Trial Period may be extended by up to four additional weeks to a maximum period of 16 weeks, but only if there is agreement that the trial employee could further improve their work performance significantly in that time.

The *Special* pay scale and *Special* federal minimum wage provide for a Trial Period not exceeding 16 weeks.

The employee with disability should reach a reasonably stable level of job performance before a SWS productivity assessment is conducted.

Evidence that the employee would be unable to work at Full Award Wage Level

The parties should be satisfied that an award wage level of work performance appears not to have been achieved so far on the job, and is unlikely in the short term.

The presence of disability or eligibility for DSP should not, of themselves, be taken to indicate the need for a SWS productivity wage.

Many people with high levels of disability are able to work at full award wages. Where an employment services provider is involved, care should be taken in any discussion of current productivity to avoid prejudging the outcome of the later productivity assessment.

Explanation of Each Step in the Assessment

Guidelines and training in the methods of gathering information for productivity assessments are provided to contracted SWS providers. The following is a description of the key points in productivity assessments:

Assessment Step 1: List the Major Duties of the Position. Briefly Describe the Major Tasks of Each Duty.

In some cases, information on the duties and tasks of the job will already be contained in:

- the specialised training plan for the employee
- existing job descriptions and personnel documents
- competency standards within competency based training systems, and
- the relevant award.

Duties and tasks may be identified or confirmed by observation and by talking to the supervisor, employee, government funded employment service provider and other employees. This is made easier by considering the outcomes or key results to be achieved by the job, and then thinking about the tasks needed to achieve these outcomes.

The appropriate classification for the position is determined by the provisions of the relevant industrial instrument. The classification is identified by comparing the duties to be undertaken by the employee with the classifications and associated definitions in the industrial instrument.

Where an employee performs duties that span more than one classification, any specific provisions dealing with this situation should be applied, or if there is none, the industrial practices generally applying under the relevant Pay Scale should be used.

Assessment Step 2: Agree on a basic standard for each duty at the full rate of pay for the job as prescribed in the relevant industrial instrument.

The assessment requires some measure, or standard of the Basic Performance Standard that would be expected from an employee, against which the employee with disability may be assessed.

An industrial instrument may have established the competency and productivity standards required for employees entitled to receive the minimum rate of pay. It should, therefore, not always be necessary to set these standards as part of the assessment process. Key points about the use of performance standards in the assessment system are:

- standards should always reflect the basic level of performance that would be expected from a competent employee performing the same duties as the employee with disability
- to adopt some higher or 'ideal' standard would unfairly disadvantage SWS employees. The reason is that the minimum pay of other employees is not determined by this higher standard
- standards need to be set only for those duties or tasks where the individual's disability has some bearing on performance.

For any parts of the job unaffected by the disability, the employee may be assumed to meet the standard without any assessment being applied. It would simply be a matter of recording that the employee met 100 per cent of the requirements for the amount of work time spent on that duty.

Assessment of Quality

Employers and assessors should specify performance standards that incorporate both quality and quantity components.

The standard used for quality will be that required by the employer for the duty in question.

An example of such a standard may be 'produce x units per hour, with a rejection rate not exceeding y per cent'. The standard would be taken from the performance of other employees performing the same or similar jobs in the workplace in question. The performance of the SWS employee can be

assessed against such a standard, with the number of 'rejects' in excess of those allowed under the standard, deducted to form the score.

Methods of Gathering Information for Performance Standards

Quantifying an employee's achievement will often be the easiest and most reliable way of setting performance standards, and of assessing the employee's achievement against the standards – especially in assembly, manufacturing or process duties.

While the need for judgement is a necessary part of the productivity assessment, the greater the reliance on subjective judgement, the greater the scope for bias and inconsistency (see 'Avoidance of Bias' at the end of this section). The use of reliable data is therefore the preferred method of setting standards and assessing the employee's achievement.

However, where duties are appropriately quantified, a qualitative standard will be used.

Each party to the assessment must agree to the performance standards and to the assessed levels of work achievement against those standards.

Information on other employees' performance should normally be used in setting performance standards. This information can often be achieved without direct observation of other employees. Many workplaces gather reliable production statistics which can be a non-intrusive means of establishing performance information.

In cases where other employees cannot contribute to the setting of performance standards (such as where the position is new, there is no one else performing those duties), it may be useful for the SWS assessor to perform the duty to develop reasonable expectations of performance.

If another employee is involved in a standard determination exercise, the person should be competent in the task but, preferably, have a similar length of experience on the job as the person who is the subject of assessment. The performance of employees who have been doing the same job for many years could be unusually high.

If fellow employees are being monitored to develop performance standards, they should be advised of this. It should be noted that the very fact of providing this information could improve the other employee's achievement.

Information gained over too short a period may over-estimate the performance that can be sustained over time.

Gathering information to set standards should be made under conditions closely approximating those normally applying to the workplace.

Naturally, provision should be made for rest breaks and personal time, consistent with the needs of the employee or the general operating standards of the workplace.

There is a wide variation in the performance of employee with disability, just as there is in the performance of employee without disability. Variations in performance reflect a wide range of workplace factors, not only the capabilities of the individual (e.g. supervision and work design).

Where the job involves considerable variation in duties on a day-to-day basis, it may be desirable to create a simulated work routine for the purpose of establishing performance standards and assessing achievement against these standards.

In this approach, the performance standard and subsequent assessment of the individual's achievement would be based on a representative sample of tasks drawn from the range of duties the employee would typically perform in the job.

Assessment Step 3: Compare the employee’s achievement on the job with agreed basic workplace standard for each duty.

The assessment of the employee’s achievement would almost always be made in the usual work setting. Certainly the employee, or their representative (union or nominee) or the employer, would be entitled to seek an opportunity for the employee to demonstrate their capabilities.

As noted above, there should be no assessment of any duties where the disability clearly has no bearing on the employee performance. Such duties should be listed and rated at 100 per cent achievement. The total percentage of time taken to perform such a duty is recorded.

For each duty or task, the parties agree on an appropriate rating for the employee against the performance standard. Achievement is expressed as a percentage, with 100 per cent level representing the agreed performance standard for the full relevant rate of pay for the job.

The following points apply to any demonstration of performance by the employee:

- the goal is to choose unobtrusive and reliable methods of gaining productivity information, and
- observation or monitoring the employee’s achievement in the course of their normal work is clearly preferable to a separate and more formal demonstration exercise (although this may be desirable in some cases).

Observation or monitoring should:

- be conducted in as natural and sensitive a manner as possible, so the employee is comfortable and relaxed
- be done independently of any ‘hands on’ assistance from supervisors, other employees or placement agency staff
- ensure the employee receives the same level of support and supervision that would be reasonably available to other people who do not have a disability, such as being able to ask questions or discuss problems, and
- ensure the employee is free to stop and repeat the process if they feel uncomfortable.

Assessment Step 4: Specify the time spent on each duty

The time spent on each duty is used to adjust the employee performance rating for each duty. This ensures low (or high) performance on a minor duty will not unfairly influence the overall productivity rate. Time is generally also a useful indicator of the importance of each duty.

Why use time to assess task performance?

Duties and tasks may vary in importance according to how frequently they are performed, how critical they are to job performance and how difficult they are to learn.

The fairness of the time dimension is indicated in the following example.

An employee in a plant nursery spends 60 per cent of her time on one duty at which she achieves 70 per cent of the expected performance for the relevant rate of pay. She spends 30 per cent of her time in a second duty in which she achieved 50 per cent of the expected performance for the relevant rate of pay. The remainder of her time is spent on a duty in which her performance is at 40 per cent of the standard.

Without a time weighting her performance rating would be 53 per cent:

| | |
|---------|-----|
| Duty 1 | 70% |
| Duty 2 | 50% |
| Duty 3 | 40% |
| Average | 53% |

With a time weighting, however, her performance rating (without supervision or other adjustment) is 61 per cent:

Duty 1 70% x .60 = .42

Duty 2 50% x .30 = .15

Duty 3 40% x .10 = .04

.61 (by addition)

The proportion of time spent on a duty is the simplest and most reliable proxy measure for the importance of a duty and is important for a fair wage outcome.

Assessment Step 5: Calculate the appropriate wage level

The usual process for wage calculation:

- The extent to which the employee achieves the Basic Performance Standard for each duty – expressed as a percentage – is simply multiplied against the time spent in that duty. This step adjusts the rate of pay for each duty, so that low performance or a minor duty will not excessively reduce the overall wage rate.
- The result is the amount of the relevant rate of pay to be paid for that duty. This is shown on the sample assessment sheet at the end of this section.
- The result from each duty is then added to give the percentage of the full relevant rate of pay for the job.
- In a minority of cases the wage result may need to be varied if the employee achievement is increased (or reduced) because the person requires an unusually low (or high) degree of employer supervision or assistance. Note: it cannot be reduced for supervision provided by a Disability Employment Services provider, an Australian Disability Enterprise or other government funded employment service provider.

Any adjustments of this type are to be limited to the percentile band in which the assessed wage falls. For example, an assessment of 67 per cent may be adjusted up to no higher than 70 per cent or down to no lower than 60 per cent.

Detailed guidelines for assessing these factors are under the 'Assessment Steps – Rounding', at the end of this section.

It would be inappropriate to always apply a mathematical formula to round off the total. This would assume precision in the amount to be rounded that may not be warranted in all circumstances given the nature of the assessment task.

Instead, the judgement can be made by reviewing the assessment process as a whole, including the optional supervision step, to determine whether, on balance, the overall productive capacity of the employee would be better reflected by taking the assessment to the higher or lower decile.

It should be noted that where both rounding and adjustment for supervision are used, the two combined must not be outside the decile band in which the assessed rate falls.

Minimum Wage Outcome

The national minimum wage for people with disability on SWS provisions is to be paid by the employer as a safeguard. This minimum wage will be reviewed annually by the [Fair Work Commission](#) and will be published on the website. This review will be conducted so that any increased wages can be implemented from the beginning of the first pay period on or after 1 July each year. The minimum SWS wage applies even where productivity assessment indicates a lower rate of payment.

In rare instances, where the relevant industrial instrument does not fall under the jurisdiction of the Fair Work Commission, the minimum amount payable may be different from the SWS minimum weekly wage, where it is prescribed in the relevant industrial instrument. For additional information, contact the Fair Work Commission on **1300 799 675**.

Payments above the Rate of Pay Specified in the Relevant Industrial Instrument

Where payments are made above the relevant award rate of pay as determined under the appropriate industrial instrument, the pro-rata wage should be based on the actual rate of pay.

Employers pay their employee above the relevant rate of pay for a variety of reasons. In some cases, over award payments are applied to all employees in a particular classification and in others they are applied only to particular employees in specific circumstances. Whether the assessed employee should receive a pro-rata wage based on a rate of pay above the relevant industrial instrument may depend on particular workplaces (having regard to the provisions of the *Disability Discrimination Act 1992* (Cth)).

The *Disability Discrimination Act* (Cth) effectively provides that an assessed employee cannot be excluded from being paid above the rate of pay specified in the relevant industrial instrument on the grounds of disability. However, to qualify for a pro-rata amount which exceeds that prescribed in the relevant industrial instrument, the assessed employee would have to meet any specific criteria applicable for the payment in that particular workplace.

As a general rule, where the employer pays all employee in a particular classification, at a rate of pay above that specified in the relevant industrial instrument at the workplace in question, the pro-rata amount for the SWS employee would include the amount above the relevant rate of pay.

Productivity Assessment in Part-Time Jobs

Part-time jobs can be assessed under the SWS using the same procedure and calculations as for full-time jobs. This can be achieved by using the part-time hourly figures in the wage calculations.

Next Steps after the Assessment

This section covers the remaining steps in the assessment process.

Reaching agreement

The parties agree on the wage rate and date for review, and sign the wage assessment agreement. For the purposes of the wage assessment agreement, a nominee whom the employee nominates in accordance with relevant state laws will be accepted as the signatory. This could occur in cases where the employee agrees with the outcome of assessment but is unable to sign the document.

Commenting on the process

Any of the parties may record their comments on any aspect of the process. Each party is entitled to read the comments of the other parties before signing the wage assessment agreement.

Notifying the Industrial Registrar

Where required by the relevant industrial instrument, the employer must provide copies of the completed wage assessment agreement to the Industrial Registrar or to the Fair Work Commission, as relevant. The Registrar will notify the relevant union, if that union did not participate in the assessment process. The agreement will take effect, unless the union notifies the Registrar of its objection, within 10 working days.

Assessment Steps

Rounding

The basis of the process of rounding within the SWS is contained in the SWS Schedule which is included in most modern awards. This section refers to an 'applicable percentage' of the minimum rate of pay prescribed in the award or industrial agreement. An employee assessed capacity, for the purposes of determining a wage, is expressed in percentile bands.

From this, it was agreed between employers, union and the Australian Government prior to the commencement of the SWS that the actual (unrounded) assessed rate would be rounded to the nearest ten percentile band. The method of doing this would be a simple arithmetic rounding.

Adjusting for supervision

Within the SWS, there is also provision for rounding using a method other than arithmetic. This may occur in cases where the unrounded assessed rate is required to be either raised or lowered to account for factors that have not been accounted for elsewhere in the assessment, for example, where:

- significant adjustments have to be made to the duties of other employees in order to integrate the assessed employee into the mainstream workplace
- the employer incurs a significant additional cost in ensuring the employee meets the required quality standard, and/or
- there are major and recurring fluctuations in the employee output levels, such that the supervisor, other employees or employment service providers need to provide additional supervision or support to ensure that the employee maintains performance levels as per the employee assessed capacity.

Any adjustment other than arithmetic may only take place within the percentile band in which the assessed rate falls. For example, an assessed rate of 67 per cent cannot be rounded down below 60 per cent. An assessed rate of 60 per cent cannot be reduced any further, as this would place the employee productivity level in a different (lower) percentile band.

The objective in placing this restriction on the amount of adjustment is to limit the extent to which an employee assessed rate can be reduced. Thus, the maximum possible amount by which an assessed rate can be lowered is 9.99 per cent.

Adjusting for supervision may also be considered when the employee requires significantly less supervision than would reasonably be expected from a competent employee (as may be the case where a permanent support employee is present).

The adjustment may be used to take into account other work-related factors not covered elsewhere in the assessment; for example, to acknowledge non-quantifiable or 'intangible' benefits the employee brings to the job (such as a high level of commitment or reliability) or to acknowledge other skills or attributes.

In cases where this adjustment is used and produces a very low wage rate, the suitability of the job for the individual should be re-examined. Further training or vocational assessment may be required to establish a suitable job.

Where adjustment for supervision or other employee assistance is used, assessors are required to record the reasons in their assessment report in support of any such deduction.

The provision of scope for an adjustment within the percentile band is seen as being a simple and consistent means of dealing with the issue. Before making such an adjustment, however, it should be noted that employees without disability require supervision and assistance to meet required standards, as do employees with disability.

This deduction is not intended to apply when the assistance or support provided by managers and other employees is only occasional or incidental to the employee duties.

Supervision and support provided to the employee by an employment services provider (such as a Disability Employment Services provider or Australian Disability Enterprise) should, of course, not be counted for the purpose of calculating the appropriate wage rate. It is important that any adjustments for rounding and supervision, when used, are considered together so that the employee is not disadvantaged by having two adjustments to the assessed wage.

Avoidance of Bias

The SWS uses a specific assessment process to ensure wage rates are fair and to guard against bias or prejudice. A number of potential sources of bias may apply in the assessment of individual capabilities, particularly in the assessment of people with disability.

The following are some of the sources of bias:

- Expectancy bias – if you expect people to behave in a certain way, you will probably perceive them as behaving in that way. Someone who stereotypes people with disability as, for example, costly to employ, troublesome (i.e. having behaviour problems, being disruptive, etc.), and likely to be absent more often as a result of health problems, is more likely to see them as demonstrating those behaviours.
- The ‘halo effect’ in rating skills and performance – drawing an impression of an employee based on a single characteristic, such as intelligence or appearance. The halo may be either positive or negative; for example, a negative halo may be to assume that, simply because an employee has a speech impairment, he or she also has an intellectual disability.
- Failure to recognise the ‘implicit’ skills and attributes of the employee with disability, e.g. ability to cooperate with others or to focus attention on a task.
- Gender factors – research suggests that gender discrimination in the general labour force interacts with discrimination against people with disability to severely disadvantage women with disability, in terms of access to jobs, training, services and income.
- Discrimination on the basis of age needs also to be considered, particularly in view of the ageing of the population.

The need to avoid bias in the assessment system may be approached by:

- Ensuring that assessments are based on explicit criteria that are (as far as possible) capable of measurement or observation (i.e. performance standards) rather than on unstructured subjective assessments.
- Including in any training for those undertaking assessments, specific materials on recognising and preventing bias.

Assessment Summary Sheet

The Duty list on the IT system displays the duties that the employee performs in their job. The duties are populated from the SWS Application. Assessors should add, delete or amend what was submitted if required.

| Duty number | Title | Ave other employee observation | Ave employee observation | Employee Productivity (%) | Hours per week | Percentage of total time (%) |
|-------------|---------------|--------------------------------|--------------------------|---------------------------|----------------|------------------------------|
| 1 | Picking Fruit | 7:49 | 11:39 | 67.10 | 5:25 | 45 |
| 2 | Packing Fruit | 12:24 | 21:56 | 58:79 | 4:35 | 38 |
| 3 | Loading Fruit | 22:16 | 58:44 | 37:92 | 2:00 | 17 |

Section 4 Industrial Relations

Introduction

The SWS was established for employees who have a disability that reduces their productive work capacity. Appropriate workplace relations arrangements are necessary to enable the payment of SWS pro-rata wages. Under the SWS, an employee with disability may only access the SWS if the industrial instrument that applies to the employee contains SWS provisions.

SWS Provisions in Industrial Instruments

It is the employer's responsibility to identify the applicable industrial instrument under which they will employ a person. The employer must ensure the information about the industrial instrument entered on the wage assessment agreement is current and accurate. While an employee may have access to SWS provisions through a state or federal industrial instrument, not all instruments will contain SWS provisions. It is therefore essential that the industrial instrument be identified and that a check is conducted by the employer to confirm it contains SWS provisions.

Most employers and employees in Australia are covered by the national workplace relations system and one set of workplace relations laws, including most employers and employees who were previously covered by state workplace laws. Accordingly, the majority of employers and employees will be covered by a modern award or enterprise agreement, most of which will contain the model SWS provisions. The model provisions are included at Attachment A.

For details on coverage of the national workplace relations system, visit the [Fair Work Commission](#) website or contact them on **1300 799 675**.

Determining the appropriate industrial instrument

An employer must identify the industrial instrument under which they seek to employ a person with disability, to ensure that the instrument contains SWS provisions.

As noted above, the majority of employers will be covered by a modern award or enterprise agreement, most of which will contain the model SWS provisions. However, SWS provisions may also be included in a range of other industrial arrangements and these provisions may vary slightly from the model provisions. For instance, they may contain different lodgement procedures or a different Trial Period.

For assistance with determining an appropriate industrial instrument, visit the [Fair Work Commission](#) website contact them on **1300 799 675**.

What if the applicable industrial instrument does not include SWS provisions?

The vast majority of modern awards in the national workplace relations system include the model SWS provisions. This means that most employees to whom a modern award applies will have access to the SWS. However, if an applicable industrial instrument applying to an employee does not contain SWS provisions, then the employer and employee are generally not able to access SWS.

In this situation, employers and employees in the national system may seek to make an enterprise agreement that will include SWS provisions. There is information available on the Fair work Commission website about making variations.

Employers who have an existing enterprise agreement which doesn't contain the SWS provisions, may seek to vary their agreement to add SWS provisions.

In cases where a state award does not include SWS provisions, the parties to the award (the union or employer) can apply to the relevant state industrial tribunal to have SWS provisions inserted in to the award. This can be done where there is a potential SWS employee with a specific job in mind or in anticipation of a general future need.

Lodging a SWS Wage Assessment Agreement

As outlined above, many private sector employers are now covered by the national workplace relations system. Therefore, most employees will be covered by SWS model provisions in a modern award. The model provisions contained in most Modern Awards (included at Attachment A) state that all SWS wage assessment agreements, including the appropriate percentage of the relevant minimum wage to be paid to the employee, must be lodged by the employer with the Fair Work Commission. Contact details for the Fair Work Commission are at Attachment B.

It is the responsibility of the employer to lodge the assessment agreement. However, it is customary for the SWS assessor to complete this task on behalf of the employer as part of their role as facilitator, if the employer so requests.

Where an assessment has been conducted subject to a SWS provision in a relevant state award, such as an assessment for an employee in Western Australia who is not employed by an employer in the national workplace relations system, then these assessments should continue to be lodged, using the lodgement provisions in the relevant award. This is likely to require lodgement of the wage assessment agreement with the Industrial Registrar of the state industrial tribunal such as for example, the Western Australian Industrial Relations Commission. Contact details for state industrial tribunals are provided at Attachment C.

Some existing industrial instruments may not include specific provisions for lodgement of SWS wage assessment agreements.

Where a union has an interest in the award, but is not involved in the wage assessment.

Where a union which has an interest in the relevant modern award is not party to the SWS assessment, the assessment agreement will be referred by the Fair Work Commission to the union by certified mail and the agreement will take effect, unless an objection is notified to the Fair Work Commission, within 10 working days.

Review of assessment

The model SWS provisions provide that the assessment of the applicable percentage should be subject to annual or more frequent review on the basis of a reasonable request for such a review. The process of review must be in accordance with the procedures for assessing capacity under the SWS.

Special National Minimum Wages

The Expert Panel within the Fair Work Commission (FWC) is required to review minimum wages annually, with any wage adjustments taking effect from the first pay period to commence on or after 1 July each year. In each annual minimum wage review, the FWC is required to make a national minimum wage order for employees not covered by a modern award or agreement. The national minimum wage order is to include a special national minimum wage for employees with disability.

It should be noted that where a relevant industrial instrument in the national system, other than a modern award, specifies rates that are lower than the special National Minimum Wage, then the level specified in the special National Minimum Wage will apply.

Attachment A – SWS Schedule C in Modern Awards¹

C.1 This schedule defines the conditions which will apply to employees who because of the effects of a disability are eligible for a supported wage under the terms of this award.

C.2 In this schedule:

Approved assessor means a person accredited by the management unit established by the Commonwealth under the supported wage system to perform assessments of an individual's productive capacity within the supported wage system.

Assessment instrument means the tool provided for under the supported wage system that records the assessment of the productive capacity of the person to be employed under the supported wage system.

Disability Support Pension means the Commonwealth Government pension scheme to provide income security for persons with a disability as provided under the *Social Security Act 1991 (Cth)*, as amended from time to time, or any successor to that scheme.

Relevant minimum wage means the minimum wage prescribed in this award for the class of work for which an employee is engaged.

Supported Wage System (SWS) means the Commonwealth Government system to promote employment for people who cannot work at full award wages because of a disability, as documented in the Supported Wage System Handbook. The Handbook is available from [JobAccess](#).

SWS wage assessment agreement means the document in the form required by the Department of Social Services that records the employee's productive capacity and agreed wage rate.

C.3 Eligibility criteria

C.3.1 Employees covered by this schedule will be those who are unable to perform the range of duties to the competence level required within the class for which the employee is engaged under this award, because of the effects of a disability on their productive capacity and who meet the impairment criteria for receipt of a disability support pension.

C.3.2 The schedule does not apply to any existing employee who has a claim against the employer which is subject to the provisions of workers compensation legislation or any provision of this award relating to the rehabilitation of employees who are injured in the course of their employment.

Supported wage rates

C.3.3 Employees to whom this clause applies shall be paid the applicable percentage of the relevant minimum wage according to the following schedule:

| Assessed capacity [sub-clause (d)] | % of prescribed award rate |
|------------------------------------|----------------------------|
| 10% | 10% |
| 20% | 20% |

¹ The schedule denominator can vary between Awards and Agreements (for example Schedule B or E)

| Assessed capacity [sub-clause (d)] | % of prescribed award rate |
|------------------------------------|----------------------------|
| 30% | 30% |
| 40% | 40% |
| 50% | 50% |
| 60% | 60% |
| 70% | 70% |
| 80% | 80% |
| 90% | 90% |

C.3.4 Provided that the minimum amount payable must be not less than \$84 per week.

C.3.5 Where an employee's assessed capacity is 10%; they must receive a high degree of assistance and support.

C.4 Assessment of capacity

C.4.1 For the purposes of establishing the percentage of the relevant minimum wage, the productive capacity of the employee will be assessed in accordance with the Supported Wage System by an approved assessor, having consulted the employer and the employee, and if the employee so desires, a union which the employee is eligible to join.

C.4.2 Assessment made under this schedule must be documented in a SWS wage assessment agreement, and retained by the employer as a time and wages record in accordance with the Fair Work Act.

C.5 Lodgement of SWS wage assessment agreement

C.5.1 All SWS wage assessment agreements under the conditions of this schedule, including the appropriate percentage of the relevant minimum wage to be paid to the employee, must be lodged by the employer with the Fair Work Commission.

C.5.2 All SWS wage assessment agreements must be agreed and signed by the employee and employer parties to the assessment. Where a union which has an interest in the award is not a party to the assessment, the assessment will be referred by the Fair Work Commission to the union by certified mail and the agreement will take effect unless an objection is notified to the Fair Work Commission within 10 working days.

C.6 Review of assessment

The assessment of the applicable percentage should be subject to annual review or more frequent review on the basis of a reasonable request for such a review. The process of review must be in accordance with the procedures for assessing capacity under the support wage system.

C.7 Other terms and conditions of employment

Where an assessment has been made, the applicable percentage will apply to the relevant wage rate only. Employees covered by the provisions of the schedule will be entitled to the same terms and conditions of employment as all other employees covered by this award paid on a pro-rata basis.

C.8 Workplace adjustment

An employer wishing to employ a person under the provisions of this schedule must take reasonable steps to make changes in the workplace to enhance the employee's capacity to do the job. Changes may involve redesign of job duties, working time arrangements and work organisation in consultation with other employees in the area.

C.9 Trial Period

- C.9.1 In order for an adequate assessment of the employee's capacity to be made, an employer may employ a person under the provisions of this schedule for a Trial Period not exceeding 12 weeks, except that in some cases additional work adjustment time (not exceeding four weeks) may be needed.
- C.9.2 During the Trial Period, the assessment of capacity will be undertaken and the percentage of the relevant minimum wage for a continuing employment relationship will be determined.
- C.9.3 The minimum amount payable to the employee during the Trial Period, as at 1 July 2017, must be no less than \$84 per week.
- C.9.4 Work trials should include induction or training as appropriate to the job being trialled.
- C.9.5 Where the employer and employee wish to establish a continuing employment relationship following the completion of the Trial Period, a further contract of employment will be entered into based on the outcome of assessment under clause C.5.

Attachment B – Fair Work Commission – contact details

You can contact the Fair Work Commission between 9.00 am and 5.00 pm on ordinary working days.

If you need help to communicate with the Fair Work Commission, you can use the Translating and Interpreter Service on telephone **13 14 50**. If you have a hearing, sight or speech impairment, you can use the Speech to Speech Relay through the National Relay Service on **13 36 77**.

You can contact the Fair Work Commission through the following:

- Email: Inquiries can be emailed to inquiries@fwc.gov.au
- Telephone: The national Fair Work Commission Help Line number **1300 799 675**.
- In person: Visit the Fair Work Commission office in your capital city.

Contact details for the Fair Work Commission offices in your capital city are available on the [Fair Work Commission](#) website.

Attachment C – State industrial tribunals – contact details

Industrial Relations Commission of New South Wales

GPO Box 3670
Sydney NSW 2001
Ph: **(02) 9258 0866**

South Australian Industrial Relations Tribunals

PO Box 3636
Rundle Mall SA 5000
Ph: **(08) 8207 0999**

Queensland Industrial Relations Commission

GPO Box 373
Brisbane QLD 4001
Ph: **(07) 3227 8060**

Western Australia Industrial Relations Commission

Locked Bag 1
CLOISTERS SQUARE
PERTH WA 6850
Ph: **(08) 9420 4444**

Tasmanian Industrial Commission

GPO Box 1108
Hobart TAS 7001
Ph: **(03) 6165 6770**

Attachment D – SWS Assessment service providers

| | |
|--|---|
| Achieve Australia Limited | Mai-Wel Limited |
| Active Occupational Health Services | Mark Andrew Thornton |
| Advanced Personnel Management (APM) | MAX Employment |
| Assessments Australia | Maxima Group Training |
| Australian Red Cross | Multiple Solutions |
| B J Eldred | ON-Q Human Resources Limited |
| Bendigo Access Employment Inc | Ostara Australia |
| Castle Personnel Services Ltd | Personnel Placement Consultancies Pty Ltd |
| Cerebral Palsy League of Queensland | Physikal Health Services Pty Ltd |
| CIM EMPLOYMENT | Recovery Station |
| Counselling Appraisal Consultants Pty. Ltd. | Rehab Management |
| Crosslinks Rehabilitation Services | Resolve Rehabilitation Services Pty Ltd |
| DP Workplace Solutions | Richard Van Wyk Consultancy Pty Ltd |
| Disability Expertise Australasia (DEA) | RUTH MARY VIGUS |
| Evolution Research Pty Ltd | South Metropolitan Personnel Inc |
| Helen Saville | STEPS Employment |
| Heta Incorporated | Strive Occupational Rehabilitation |
| Interact People Solutions | Tania Carter Supported Wage Assessor |
| JJ & DS Anderson | The Employment House |
| Job Centre Australia Limited | The ORS Group |
| JobCo Employment Services | VOICE- Psychologists & Allied Professionals |
| JobLinks Employment and Training Service | Wave Assist |
| Jobmatch Association Incorporated | WCIG |
| LEAD - Live, Experience, Access and Develop. | Wise Employment Ltd |
| Lesley Pointon | Yooralla |
| Maccess | |

Attachment E – SWS Wage Assessment Agreement

Supported Wage System
 <TYPE> Wage Assessment Agreement

When completed this form must be sent by the employer to the Industrial Registrar at the following address:

| | |
|-----------|---------|
| Name | Address |
| Fax/email | Address |

Enter Details of all parties involved at the workplace in arriving at this assessment.

| | | | |
|--------------------------------|--|--|--|
| The undersigned parties agree: | to recommend a wage of: | <input type="text"/> | of the appropriate award or agreement rate for the relevant classification of work |
| | the name of the award or agreement which relates to the position is: | <input type="text"/> | |
| | the classification of the position within the award | <input type="text"/> | |
| | the review date of the above wage rate | <input type="text"/> / <input type="text"/> / <input type="text"/> | |

| Employer | Employee |
|--|--|
| Name | Family Name |
| Australian Business Number (ABN) | Given Names |
| <i>If employer entity has changed since Application was approved then a new Application is required</i> | Date of birth |
| Physical Address | DD/MM/YYYY |
| Postal Address (if different to physical address): | Postal Address |
| Telephone | Telephone: |
| Fax/e-mail | () |
| Contact | Comments (optional): |
| Comments (Optional) | <input type="text"/> |
| 1 (the undersigned) verify the job is covered by an award or legal industrial agreement which contains SWS Provisions. If you are unsure go to www.fwc.gov.au or contact the Fair Work Infoline on 13 13 94. | |
| Signature of employer representative: | |
| Date: | Date: |
| <input type="text"/> / <input type="text"/> / <input type="text"/> | <input type="text"/> / <input type="text"/> / <input type="text"/> |

Supported Wage System
<TYPE> Wage Assessment Agreement

| <u>Union</u> | <u>Assessor</u> |
|--|--|
| Union Name <input style="width: 95%;" type="text"/> | Name <input style="width: 95%;" type="text"/> |
| Postal Address <input style="width: 95%;" type="text"/> | Family, Given <input style="width: 95%;" type="text"/> |
| <input style="width: 95%;" type="text"/> | Organisation Name <input style="width: 95%;" type="text"/> |
| Telephone <input style="width: 95%;" type="text"/> | NPA Provider Name <input style="width: 95%;" type="text"/> |
| Fax/e-mail <input style="width: 95%;" type="text"/> | Postal Address <input style="width: 95%;" type="text"/> |
| Name of Union Representative <input style="width: 95%;" type="text"/> | Telephone <input style="width: 95%;" type="text"/> |
| Comments (optional): <input style="width: 95%;" type="text"/> | Fax/e-mail <input style="width: 95%;" type="text"/> |
| <input style="width: 95%;" type="text"/> | Comments (optional): <input style="width: 95%;" type="text"/> |
| Signature of union representative: <input style="width: 95%;" type="text"/> | <input style="width: 95%;" type="text"/> |
| Date: <input style="width: 95%;" type="text"/> | Signature of Assessor: <input style="width: 95%;" type="text"/> |
| <input style="width: 95%;" type="text"/> | Date: <input style="width: 95%;" type="text"/> |
| <input style="width: 95%;" type="text"/> | <input style="width: 95%;" type="text"/> |

Information for the Industrial Registrar – To be completed by the employer

| Assessment productivity % (from page 1) | Minimum hourly award or enterprise agreement rate for this position | Hours Employee will work per week | Employee's gross earnings per week at expected hours | Actual agreed Amount |
|--|---|--|--|--|
| A | B | C | D | E |
| <input style="width: 80%;" type="text"/> | x <input style="width: 80%;" type="text"/> | x <input style="width: 80%;" type="text"/> | = <input style="width: 80%;" type="text"/> | <input style="width: 80%;" type="text"/> |

To which Industrial registrar will this form be sent? (e.g. Australian Industrial Registrar, Sydney):

It is the responsibility of the **employer** to ensure the calculated rate of pay is correct and that it is paid in line with any annual wage increases.

| | |
|--|--|
| Date this form sent to Industrial Registrar: | / / |
| Signature of employer: | Date: |
| <input style="width: 95%;" type="text"/> | <input style="width: 95%;" type="text"/> |

Form completion: If required by the Award or Agreement, original to be sent by the employer to the relevant Industrial Authority. Copies are provided to all signatories to the Wage Assessment Agreement, and the employee's employment service provider if requested.

What to do if circumstances change?

- Significant changes to work tasks or productivity
- Employment has ended
- New Employer entity
- Employment Award/Agreement no longer contains SWS provisions

If any of the above changes occur then please inform the DSS Supported Wage Management Unit by phone on 1800 065 123

Attachment F - Glossary

Approved SWS Assessor is a person who has been approved by the Department of Social Services to conduct Supported Wage System assessments.

Applicant is a person who submits an application for the Supported Wage System – either an employment services provider or an employer.

Award is an instrument that prescribes the terms and conditions under which a particular category of employee is employed.

Award Wage is the minimum wage, fixed by an award, certified agreement or enterprise agreement, to be paid to employees for performing specified work under conditions of full productivity.

Basic Performance Standard is the minimum level of performance which would be expected from a competent fellow employee performing the same duties as the employee with disability.

Bias is a tendency to arrive at a decision which has been influenced by views or beliefs held by the assessor and not based on fact.

Centrelink is an Australian Government agency that delivers a range of government services to the Australian community. These services are designed to assist people to become self-sufficient and to support those in need. Centrelink is responsible for the delivery of all income support payments.

The Department is the Australian Government Department of Social Services and is responsible for the administration of the Supported Wage System assessments.

Disability has the same meaning as defined under Section 4 of the *Disability Discrimination Act 1992 (Cth)*.

Disability Support Pension is an income support payment and may be payable in respect to a person if they have an illness, injury or disability and are:

- Aged 16 or over and under Age Pension age, or
- Assessed as having a physical, intellectual, or psychiatric impairment and
 - unable to work, or to be retained for work, for 15 hours or more per week at or above the relevant minimum wage within the next two years because of the impairment, and
 - have actively participated in, or completed a Program of Support if required
- Meet the residency requirements
- Meet the income and assets test for your situation, or
- Permanently blind

Disability Discrimination Act 1992 (Cth) is Commonwealth legislation that makes it unlawful to discriminate against a person on the basis of their disability in prescribed areas of public life, including employment and access to premises.

Employment Services Providers are a national network of community and private organisations dedicated to placing people into employment.

Fair Work Commission is the national workplace relations tribunal. It is an independent body with power to carry out a range of functions relating to the safety net of minimum wages and employment conditions, enterprise bargaining, industrial action, dispute resolution, termination of employment and other workplace matters.

Impairment Rating measures how much a particular impairment affects a person and their ability to work. The Social Security Act contains provisions that enable the Minister, by legislative instrument, to determine tables relating to the assessment of work-related impairment for DSP and to determine rules that are to be complied with in applying the impairment tables. The current instrument is the

Social Security (Tables for the Assessment of Work-related Impairment for Disability Support Pension) Determination 2011. The tables describe functional activities, abilities, symptoms and limitations and assign ratings to determine the level of functional impact of impairment on a person's ability to work. To qualify for DSP, a person's impairment must be of 20 points or more under the Impairment Tables.

Industrial Agreement is a legal document that sets out the employee's rights and conditions at work.

Industrial Instrument is an award (including a modern award), an enterprise agreement, a public sector industrial agreement, a former industrial agreement, a contract determination or a contract agreement.

JobAccess is the national hub for workplace and employment information for people with disability, employers and service providers.

Job Analysis is a systematic procedure for describing a job in terms of tasks performed and the knowledge, skills and abilities required to perform the tasks successfully.

Job at Risk is where the continued employment or job placement of an employee at full award wages is threatened, usually as a result of the effects of a physical, intellectual or psychiatric disability.

Job Design is the way in which a job is structured in relation to tasks, duties and the skills required to perform them.

Job Match is the degree of fit between a job and the nature of the employee's disability, their personal preferences and skills.

Nominee is a person nominated by the employee to assist in the employment process and to ensure the best possible outcomes are achieved for that person or, for the purposes of signing the forms, a person whom the employee nominates in accordance with relevant state/territory laws to sign documents on their behalf.

Pre-Assessment Check is an investigation and judgement about the appropriateness of the job placement, including ensuring the person has had adequate training and that all necessary reasonable adjustments to lessen the impact of the disability have been made. The checks are made by those involved in the placement process before a wage assessment proceeds.

Pro-Rata Award Wage is the assessed percentage of the Award Wage. It is the wage paid by the employer to the employee on completion of the SWS wage assessment.

Reasonable Adjustment is an alteration or modification made to the workplace to assist an employee with disability to participate in employment on the same basis as others. An adjustment is reasonable under the *Disability Discrimination Act 1992 (Cth)* if does not impose an unjustifiable hardship on the employer.

Review Date is the date when an employee who is employed under Supported Wage System is due to have a SWS assessment to review their productivity.

Superannuation Guarantee is a specially established employer-supported superannuation contribution.

Supported Wage Assessment Tool is an online tool used by SWS assessors to record details of their wage assessments.

Supported Wage System Schedule is a schedule included in most modern awards that is one method of providing the legal basis for payment of a pro-rata wage. The SWS Schedule sets out the terms and conditions for the payments of a supported wage to an employee who is unable to work at the award wage because of the effects of a disability.

Tasks are the steps required to achieve specific outcomes or results in a job. Often a number of tasks will combine to form a 'duty'. Tasks should be considered as separate duties when, because of a significant time weighing and productivity difference between them, a distortion of the wage would result if the tasks were combined into one duty.

Trial Period is a provision that has been made in the SWS Schedule for the employee to undertake a trial period before the wage assessment. The Trial Period usually includes specialised on-the-job-training in addition to any other standard training provided by the employer. The Trial Period can be up to 12 weeks (although by agreement, it may be extended to 16 weeks).

Unjustifiable Hardship has the same meaning as defined under section 11 of the *Disability Discrimination Act 1992 (Cth)*. In determining whether an unjustifiable hardship would be imposed on the employer, all relevant circumstances of the particular case must be taken into account (including the factors set out in section 11 of the Act).

SWS Wage Assessment Agreement is an agreement which is entered into where the wage assessment results in a supported wage. All parties involved in the SWS assessment are to agree on the wage amount and date for review prior to signing the Wage Assessment Agreement.

Wage Assessment is a process for determining an appropriate productivity-based wage for people with disability whose work productivity is reduced as a result of disability. Assessment is based on productivity in a specific job. Assessments are not transferrable between jobs.

Work Order is a contract for SWS providers to conduct a supported wage assessment.

Workers Compensation is provided by employers for all employees. This also covers the SWS Trial Period.

Workplace Assessment is where the SWS assessor visits the workplace and conducts pre-assessment checks and an assessment of work productivity.

AD-8 “Financial Modelling for Rockhampton and Wacol Sites”

| | Initials | Site | Days Time of Work | Hours per week | Full Rate | Greenacre % | Current Hrly Rate | SWS Trial % | SWS Hrly Rate | Increase Only | Employer | Assessor | Weekly Increase |
|----|----------|------|----------------------|-------------------|-----------|----------------|-------------------------|-------------|---------------------|------------------|----------|----------|--------------------|
| 1 | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | | |
| 13 | | | | 350.80 | | 22.8% | 4.04762 | 67.7% | 12.04383 | 7.99622 | | | 2774.22 |
| 14 | | | | | | | | | | | | | 7.91 |
| 15 | | | | | | | | | | | | | |
| 16 | | | | | | | | | | | | | |
| 17 | | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | | |
| 19 | | | | | | | | | | | | | |
| 20 | | | | | | | | | | | | | |
| 21 | | | | | | | | | | | | | |
| 22 | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | |
| 24 | | | | | | | | | | | | | |
| 25 | | | | | | | | | | | | | |
| 26 | | | | | | | | | | | | | |
| 27 | | | | | | | | | | | | | |
| 28 | | | | 222.67 | | 24.1% | 4.28306 | 47.6% | 8.46804 | 4.18499 | | | 904.88 |

AD-9 “Supported Employee SWS Assessment”

| TASK ONE | | | | | | | | | | | | | | | | |
|------------|-----------|-----|-----------|----------|----------|----------|----------|----------|-------------------|--------------------------|-----------|-------------|-------------------|-------------|---------------|---------------|
| First Name | Last Name | DOB | Site Name | SWP Name | Timing 1 | Timing 2 | Timing 3 | Comments | Days Time of Work | Total Hours:Min per Week | Full Rate | Greenacre % | Current Hrly Rate | SWS Trial % | SWS Hrly Rate | Increase Only |
| | | | | | | | | | | | | | | | | |



**AD-10 “Correspondence and
Executive Summary prepared by
ADTR Consultants”**



Australian Government
Department of Social Services

Ms Carol Dickfos and Ms Angela Burdon
Endeavour Foundation
162 Alma Street
ROCKHAMPTON QLD 4700

Dear Ms Dickfos and Ms Burdon

On behalf of the Department of Social Services and the parties in the Fair Work Commission (FWC) conciliation process, I would like to extend my thanks and gratitude to you for your participation in the trial of the modified Supported Wage System (SWS) in 2016.

Your organisation's supported employees' contributions were the heart of the trial and I would be grateful if you could pass on my thanks and appreciation to them.

As you would be aware, the trial was held to inform the views of the parties of the FWC conciliation for the matter currently considering the removal of all wage tools from the *Supported Employment Services Award 2010*. The FWC reference is AM2013/30.

Consultants from ARTD Consultants conducted an independent evaluation of the trial and presented their findings to the FWC parties late last year. I have attached a copy of the Executive Summary of the evaluation report for your information.

The trial evaluation results moved the conciliation discussions forward and the FWC parties will meet again in March and April 2017 to determine if the tool is a fair and accurate way to assess productivity for supported employees in ADEs.

The Government is committed to ensuring that people with disability have access to sustainable employment opportunities in an independent and viable supported employment sector.

I wish you and your organisation all the best in the future.

Yours sincerely

A large, stylized handwritten signature in blue ink, appearing to read 'James Christian'.

James Christian PSM
Group Manager
Disability, Employment and Carers
March 2017

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VISIT LEVEL 4, 352 KENT ST SYDNEY NSW 2000
MAIL PO BOX 1167 QUEEN VICTORIA BUILDING NSW 1230
TEL 02 9373 9900
WEB ARTD.COM.AU

ARTDCONSULTANTS
strategy & evaluation

CONSULTANTS
strategy & evaluation

Executive summary

The Modified Supported Wage System Trial

Across Australia, there are approximately 190 Australian Disability Enterprises (ADEs) with a total of 20,000 supported employees who have moderate to severe disability and need substantial ongoing assistance to maintain employment. Supported employees receive pro-rata wages in accordance with the *Supported Employment Services Award 2010* and other awards. The Business Services Wage Assessment Tool (BSWAT)—one of the wage assessment tools previously approved under the award—was suspended in December 2012, and ADEs were required to transition to a new wage assessment tool by October 2015 (or 29 February 2016, if granted an extension).

Fair Work Commission conciliation parties are continuing to progress the development of alternative wage assessment options to the BSWAT. One of these is a modified version of the Supported Wage System (SWS), a wage assessment tool that is approved under the award but is more commonly used to assess wages of employees with a disability with reduced productivity in open employment. The modifications to the SWS were designed to make it more applicable to an ADE context. They were collaboration between ADEs and assessors to establish benchmarks and performance standards; the inclusion of internal timings data in the productivity assessment (required in the Trial, but optional in any future roll-out); the removal of the \$82 minimum weekly wage floor; and the removal of rounding of productivity outcomes. A no-prejudice trial of a Modified SWS was conducted with a stratified random sample of 191 supported employees from 20 selected ADEs, representing the supported employee population and different ADE operating contexts between March and July 2016.

Evaluation

In January 2016, ARTD was engaged to evaluate the Modified SWS Trial. The purpose of the evaluation was to identify whether the Modified SWS could be applied consistently by ADEs and assessors, whether it would provide an accurate assessment of supported employee productivity, what the wage outcomes would be compared to existing wage tools, and what improvements might be needed if the Modified SWS was to be implemented in ADEs.

The evaluation methods were designed and agreed with all Steering Committee members. The evaluation used a mixed-method design. The intention was not to conduct an audit, but to explore the process from the perspective of all stakeholders through qualitative interviews and analyse implementation and outcomes using the Trial App data. The evaluation methods were implemented largely as intended. There is sufficient data to report with confidence on the process of implementation across varying contexts and with employees with different disability types, but not on the likely productivity and wage outcomes of the Modified SWS because of the issues identified with implementation.

Key findings

Information, training and support

Significant effort was put into a multi-pronged information, training and support strategy for participating ADEs and assessors. The training and written documentation covered key elements of the Modified SWS process and ADEs and assessors could pose questions for clarification in the regular Trial teleconferences or directly to the Trial Coordinator and expert assessors. However, there were some misinterpretations of the guidelines in implementation by ADEs and assessors. The fact that ADEs and assessors were not able to start the pre-assessment process during training as initially planned and that some of the ADE staff taking the timings did not attend the training exacerbated the issues encountered.

The Trial experience also highlighted the need to recognise the introduction of a new wage assessment process as a significant change management exercise with an associated need to communicate the rationale for the approach to ADE staff collecting timings and setting benchmarks and to bring them on-board. Furthermore, interviews with employees suggest a need to consider how the wage assessment process and the concept of a productivity outcome can be further simplified to ensure they are clear to all employees if the Modified SWS was to be implemented in ADEs.

Implementation of the Modified SWS

Not all elements of the Modified SWS were implemented consistently by ADEs and assessors or as set out in the guidelines. The trial application data and interviews highlighted that not all employees were timed on all the major duties and associated tasks they undertake, some benchmarks were considered inaccurate, performance standards were not always included or applied in practice, not all timings were taken at least one week apart, and there were not always robust validation discussions between ADEs and assessors that resulted in invalid timings being excluded.

A full set of trial data (i.e. 3 internal and 3 external timings on all tasks) was not able to be collected for all participating supported employees in the Trial timeframe: 10 employees had no external timings on any task (and were excluded from the analysis), 6 had no external timings on at least one task, and 46 had less than 3 internal and/or external timings. The

reasons a full set of timings could not be collected included the supported employee becoming ill or going on leave, the weather or a particular product/ task being unavailable preventing the employee from completing a task in the Trial timeframe.

Many ADEs found implementation time-consuming. This is to be expected with any major new process. However, the random selection of employees increased the time involved for ADEs with participating employees located across multiple sites or crews. Additionally, the time limitations of the Trial period intensified the work involved and made it more difficult to implement the process while maintaining business-as-usual production and meeting contract deadlines.

A longer implementation period, improvements to the training, information and support strategy and a quality assurance process (including validation checks for each phase of the assessment process) would assist in ensuring consistent implementation. A longer implementation period would also assist ADEs to manage the process through staff leave and work schedules and enable ADEs with seasonal work to collect timings on the major duties and associated tasks each employee undertakes. If the Modified SWS was implemented for all employees, and ADEs could time employees at the same site or in the same crew at the same time, this would reduce the hours required to implement the process for each employee. Over time, as ADE staff became accustomed to the process, the amount of work would also reduce. However, some ADE staff (particularly those with multiple task types and/or sites and crew-based work and those setting up simulated tasks) were concerned about their ability to integrate the process into their work if the Modified SWS was implemented in ADEs.

Perceived accuracy of the Modified SWS

Around one-third of ADE management representatives agreed (25%) or mostly agreed (10%) that that the Modified SWS produced a reasonably accurate assessment of supported employees' productivity. Interviews indicate ADE staff had mixed views of the accuracy of the assessments; many believed the assessments over-estimated at least some of their employees' productivity. Some assessors thought that the results accurately reflected supported employees' productivity, while others thought results over-estimated employees' productivity, based on their impressions and information provided by ADE staff.

Most of the factors perceived as limiting the accuracy of the results could be addressed through compliant implementation of the Modified SWS. A longer implementation timeframe and a quality assurance process would support this. However, there remain questions about how to assess employees who do not usually complete a task to the required standard on their own (as compared to those who do) and when assessing employees completing tasks as a group or on a production line (if assessed alone, as at least some were in Trial, this does not reflect usual performance, but if assessed with others on the production line/ in the group, the employee's productivity could be increased or reduced by the rate of their co-worker). Additionally, many ADEs believe that the range and complexity of duties and tasks

undertaken by the employee and/or the level of support and supervision the employee needs to be considered to produce an accurate result. There was some concern that if job design was not taken into account employees doing more complex tasks at a slower rate could be disadvantaged, and that it could have an impact on jobs, job design and/or employees' choice to develop their skills and take on more complex tasks.

Wage Outcomes

Given the inconsistencies in implementation, the wage outcomes data are not considered to provide a reliable indication of the wage outcomes that would be produced with a Modified SWS.

Conclusions

The Trial has not provided a clear case that the Modified SWS can be consistently applied by ADEs and assessors to provide an accurate assessment of supported employee productivity across the range of ADE operating contexts. However, it has not definitively proven that it cannot.

Many of the inconsistencies of implementation and issues affecting the accuracy of results could be addressed by: refining the provision of information, training and support; introducing a quality assurance process (including validation checks at each stage— benchmarking, internal timings, external timings); and providing a longer timeframe for implementation.

However, clearer direction is needed on how employees should be assessed when they do not complete tasks to standard on their own and to ensure consistency and fairness for employees completing tasks in a group or on a production line. Additionally, questions remain about whether the assessment could or should take into account the range and complexity of duties and tasks undertaken by the employee, and the level of support and supervision the employee needs.

Implications

It is beyond the remit of the evaluation to recommend whether or not the Modified SWS should be implemented in ADEs. This decision needs to be considered in light of whether the process can or should account for issues identified in the Trial and the costs and benefits of the Modified SWS compared to alternative options.

While the extent to which wages would increase if the Modified SWS was used is unclear, any wage increases will have implications for the viability of certain ADE operating models. Opportunities to increase ADE viability and improve wage assessment outcomes for supported employees may come through other policy and industrial settings that have not been evaluated through the Trial, such as the National Disability Insurance Scheme (NDIS)

and the development of ADE business models (including social enterprise models). However, ADEs may also face challenges to viability with technological developments disrupting traditional job roles and an ageing workforce, and potential new competitors within the NDIS market.

As well as any impact on wages, implementation of the Modified SWS would have resourcing implications for ADEs and the Government that need to be considered. Costs to government would include the cost of the independent assessment process. Consideration would need to be given to how parties would fund the training and ongoing support ADEs would require to collect internal timings, if the option to collect internal timings was retained.

If the Modified SWS (in its current or a further modified form) is to be implemented in ADEs, the Trial has identified the following needs for implementation:

Change management

- Consider an appropriate period over which to phase in the approach and how wage increases will be managed.
- Specifically recognise the introduction of the Modified SWS as a change management exercise, likely to encounter some resistance, and the need to communicate the rationale for the approach to ADE staff collecting timings and setting benchmarks and bring them on-board.

Training

- Make training a pre-requisite for timings staff and assessors.
- Consider potential to group ADEs by business type for training to respond to requests for guidance that is more tailored to the ADE context.
- Streamline training—beginning with an overview of the Modified SWS and then provide time for ADEs to work through duty and task breakdowns with assessors (using the app), and the group to trouble-shoot implementation issues and common misperceptions.
- Consider including an assessment at the end of training to ensure comprehension and competence.
- Use a training feedback survey with closed questions to provide standardised data on whether training is achieving its objectives, and inform any adjustments required.

Implementation resources and support

- Provide a guidelines document that describes the process and provides examples of duty and task breakdowns, task descriptors, benchmarking options and ways of assessing against performance standards.
- Develop an ongoing process for information sharing between ADEs that supports troubleshooting on timing particular tasks.
- Give further consideration to how supported employees can be supported to understand the Modified SWS process and what a productivity assessment result means for them.

Quality assurance

- Introduce a quality assurance process. This might include validation checks in the data, and an audit function that involves checking a sample of results through a repeat of the process.
- Consider the costs of rolling out and providing help desk support for the app, against the potential benefits (particularly the ability to include validation rules).

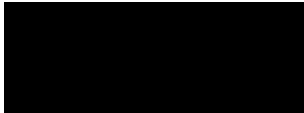
**AD-11 “Letter to K Last –
SkillsMaster Assessment Result
and Hourly Rate”**



FOR PEOPLE WITH A DISABILITY

25th February 2011

Ms. Kate LAST



Scope (Vic) Ltd
ABN 63 004 280 871

830 Whitehorse Road
PO Box 608, Box Hill
Victoria 3128

T +61 3 9843 3000

F +61 3 9843 2030

E contact@scopevic.org.au

www.scopevic.org.au

Dear Kate,

Offer of Employment

I wish to offer you a part time Production Worker role at High Point Industries. Your start date is still to be determined and will include a six month Probationary period. You will report to Phil Marsom Production Manager.

We confirm that this offer is subject to:

1. a satisfactory police check for the position mentioned above.
2. completion, and subsequent acceptance, of the Declaration of pre-existing injuries or disease.
3. your agreement that matters related to your employment, and performance at work, may be discussed with your representatives AED Legal Service, and your mother and stepfather.

While it is not possible to provide for every situation that may occur in your employment, the following terms and conditions are current as at time of employment and cover most matters:

TERMS AND CONDITIONS of EMPLOYMENT

Hours of Work

You will be employed for a minimum of 21 hours per week, being Monday, Tuesday and Wednesday ; 9am to 4.30 pm The award you are employed under is the Supported Employment Services Award 2010.

Rate of Pay

The hourly rate you will be paid will be a percentage of the SES Award Grade 1 Step 1 hourly rate. This percentage amount will be assessed using a Business Services wage assessment tool, which will tell us how well you are able to do tasks. This wage assessment will take place when you have worked at the service for at least three months. Until your wage is assessed you will be paid a set amount which is \$2.00 per hour. This will remain in place until your wage assessment is completed and a permanent rate of pay is calculated. You will be notified of your new rate of pay and will receive backpay of any shortfall between the starting rate of pay and the permanent rate, once your wage assessment is finalised.

As part of the conditions of employment with Scope and in line with Supported Employment Service Award 2010 clause 14.4 (g) (i) your wage assessment will be reviewed periodically as determined by Scope. The review period is not to exceed three years.

Job Description

A copy of your Job description is attached. When you commence we will explain to you exactly what the roles and responsibilities of your position are and your responsibilities under the Scope Code of Conduct. Your legal representative will be present during this meeting. If you have any other queries about the Job Description at any other time during your employment please discuss this with your Training and Support officer who is Andrea Clarke.

As we go through your induction process we will also be identifying what training needs to be provided for you as well as the most appropriate methods and techniques to deliver it. This will form part of your training plan going forward.

We will also develop and agree a set of actions to be followed should issues arise concerning non-compliance with reasonable management directives. In formulating this we will consult:

1. Mark di Marco's document of "Support Strategies for Staff at Kate's Work – 25 August 2008"
2. Statement of I. Walters (Neuropsychologist) dated 20 December 2010

Performance Appraisal

Your performance will be assessed on a monthly basis during the probationary period and further performance appraisals will occur on an annual basis.

Superannuation

Scope (Vic) Ltd will contribute an amount equal to 9% of your salary to our nominated default fund, Health Super on your behalf. Any additional superannuation contributions will be your responsibility. Should you wish your superannuation to be contributed to any other fund you will need to provide our Payroll Department with the appropriate completed forms.

Annual Leave

Your entitlement to annual leave will accrue pro-rata based on a full-time entitlement of twenty days per annum. You will also be entitled to receive 17 1/2% annual leave loading on accrued leave.

Sick/Family Leave

You are entitled to pro-rata sick/family leave based on the full-time entitlement of twelve days in your first year, fourteen days in the second, third and fourth years and then twenty-one days in each subsequent year of service. Up to 10 days pro rata per annum can be taken as carer's leave. Scope also provides six weeks paid maternity leave.

Long Service Leave

Your entitlement to long service leave will be in accordance with Scope (Vic) Ltd, policy which currently provides for twenty-six weeks' leave after fifteen years' service.

Confidential Information

From time to time through your work you may see or hear information that is confidential to Scope. Accordingly, we would wish you to:

- Keep any information secret and confidential except to the extent that you may be required by law to disclose it.
- Take all reasonable and necessary precautions to maintain the confidentiality and prevent the disclosure of any information.
- Not disclose information to any other persons whether directly or indirectly, without first obtaining the written consent of Scope.

The obligations under this clause shall continue even after you cease employment with Scope.

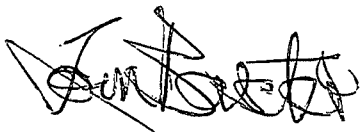
Other Matters

Scope is proud of the quality service it provides and we therefore draw your attention to the Code of Conduct

I would like to take this opportunity to welcome you to Scope and I am confident that your acceptance of this offer will be of benefit to yourself, your future colleagues, Scope, and its Clients.

Please sign and return the attached slip to confirm your acceptance of this offer of employment. Once we have received all the documents back we will contact you to have a meeting to confirm your start date and any other matters that need to be attended to. Please contact Jacqui Wilson 9843 3015 or 0411265718 for any further information.

Yours sincerely



Tom Baxter
General Manager
Scope Business Enterprises

Encl:

- Position Description
- Declaration of pre-existing injuries
- 100 points of identification list

scope

FOR PEOPLE WITH A DISABILITY

Highpoint Industries

Scope (Vic) Ltd
830 Whitehorse Road
PO Box 608, Box Hill
Victoria 3128

T (03) 9843 3000
F (03) 9843 2030
E contact@scopevic.org.au

www.scopevic.org.au

Ms Kate Last (008698)

Monday, 28 July, 2014

Private and confidential

Dear Kate

SES AWARD RATE CHANGE

I would like to advise that there was a rate change to the Supported Employment Services Award that you are paid under. This change was due to the 3.00% increase granted effective from 1st July 2014.

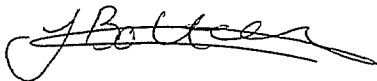
Your new pay rate was completed in this Pay Period Ended 27 July 2014.

Your 'old' hourly rate was: \$8.2080

Your 'NEW' hourly rate is: \$8.4542

If you need help to understand this information or have questions please speak with your Training and Support Officer or Manager.

Yours Sincerely



Jade Bolton
People and Culture Advisor- SBE

Tuesday 3rd March 2015

Kate Last


Dear Kate,

SkillsMaster Assessment Result

I am pleased to advise that we have now completed your SkillsMaster assessment.

Your hourly rate has remained the same: \$ 8.45

Your hours of employment and all other conditions will remain the same. The award you are employed under is the Supported Employment Services Award 2010 at Grade 2.

Attached is a copy of your assessment, please speak with your Training and Support Officer if you would like some help understanding what it all means.

If you would like to dispute anything in the assessment, please speak with your Training and Support Officer.

Your next SkillsMaster assessment will be completed at the same time as your Annual Employment Plan in twelve months.

Yours Sincerely,



Paula Oliva
Manager, Highpoint Industries

DADE BOLTON

P&C ADVISOR

Employee Wage Assessment

Employee Name LAST Kate



Assessment Date 19/Feb/2015

Job Model Production Worker - Level 2

Date Joined 2/05/2011

| | | | | |
|----------|-----------|------|--------------------------|-----------------|
| Level 1 | 0 - 22 | 5% | No. of Task Units in Job | 38 |
| Level 2 | 23 - 33 | 10% | No. of Assessable Task | 29 |
| Level 3 | 34 - 45 | 15% | Employee Assessed | 58 |
| Level 4 | 46 - 56 | 20% | % of Award Wage | 25% |
| Level 5 | 57 - 67 | 25% | Award Ord, Hours of | 38 |
| Level 6 | 68 - 79 | 30% | Award Wage | \$659.40 |
| Level 7 | 80 - 90 | 35% | Hourly Rate | \$4.34 |
| Level 8 | 91 - 113 | 40% | | |
| Level 9 | 114 - 136 | 50% | | |
| Level 10 | 137 - 159 | 60% | | |
| Level 11 | 160 - 181 | 70% | | |
| Level 12 | 182 - 204 | 80% | | |
| Level 13 | 205 - 227 | 90% | | |
| Level 14 | 228 | 100% | | |