

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

Commonwealth Bank of Australia

CBA18QON: 36

Mr THISTLETHWAITE: *If you could perhaps provide for us, as I mentioned earlier, the number of staff who are on the flexibility agreements and a broad characterisation of what those flexibility agreements do that is different from the enterprise agreement that would be helpful.*

Mr Comyn: *Happy to take that on notice, and certainly where we are able to do that we will provide it.*

Answer:

The Fair Work Act requires an IFA mechanism to be in all enterprise agreements. IFAs give flexibility to our employees and their managers about pay and conditions.

IFAs can vary the effect of a number of terms of our Enterprise Agreement (EA) in exchange for the employee receiving increased remuneration. What the IFA can vary differs in the EA based on the employing entity within Commonwealth Bank; however, key clauses that can be varied include:

- salary clauses (e.g. salary, bonus pay and higher duties);
- travel clause (e.g. payment of taxis between work and home);
- hours (e.g. span of hours, ordinary hours, rostered days off, weekend penalties and overtime);
- shift work;
- annual leave loading and allowances;
- public holidays; and
- preserved conditions (limited conditions applying to employees employed before a certain date, other than staff housing loans).

Not all clauses set out above need to be varied in an employee's IFA and can differ on an employee-to-employee basis.

Since 2010, Commonwealth Bank has negotiated five EAs with the Finance Sector Union that have included the current IFA provision. In 2016, employees approved the Commonwealth Bank Enterprise Agreement 2016, including the IFA provision, with a 97 per cent positive employee vote. This EA was also approved by the Fair Work Commission.