

Report to
Office of the Employment Advocate

Australian Workplace
Agreements: a health
industry case study

FINAL REPORT

1999

Summary

- This is a case study of Medical Transport Services Australia Pty Ltd (MTS), a private ambulance transport service offering work on a casual basis to some 104 people, using Australian Workplace Agreements (AWAs). The research was conducted through focus groups, individual interviews and written questionnaire.
- In the early 1990s, the Victorian State Government decided to open the non-emergency side of ambulance work to private competition; and subsequently restructured the Government ambulance service, including significant numbers of retrenchments. MTS was established in 1993 to provide non-emergency transport of patients, public duty standby and later neonatal emergency transport. Most staff have either current or past employment experience with the Government service and more than half the staff have been in the industry for more than 15 years.
- Since its establishment, MTS policy has been to engage all staff on a casual basis. The award at the time was felt by the employer to contain very limited provision for casual employment, and the employer decided to base wages on the award rate, plus 25%. The employment agreement was a simple letter of engagement.
- With the 1996 Workplace Relations Act and consequent changes in award coverage, in industrial relations responsibilities in Victoria and in the nature of company operations MTS sought a more substantial employment agreement with employees. AWAs were investigated and found to suit the needs of the company. The AWA was not envisaged as a change to employment conditions, but to their method of documentation.
- The AWA was drafted in-house by the company's Manager, Administrative Services. Neither the employer nor employees used a bargaining agent.
- The development of the AWA was a minor event in the life of the company. It was essentially a paperwork exercise to supplant previous paperwork. It did not change company policy, nor did it change the most important aspects of the employment agreement (being flexibility and the casual nature of the arrangement from the employer's perspective, and flexibility and wages and conditions from the employees' perspective).
- Employees were not formally involved in drafting the AWA, and did not express a strong desire to do so. They perceive that their ability to vary the terms of the AWA is limited by the employer's contractual agreements with the government ambulance service.
- Generally, respondents were satisfied with the process of presenting the AWA to them. However, some employees were concerned about issues including:
 - the need for discussion opportunities
 - their desire to meet together to discuss the AWA
 - uncertainty about whether not signing an AWA could mean no work would be offered.

The employer felt that opportunities for meeting and discussion had been available to those who wanted them.

- Employees think their own employer is fair and trustworthy and are inclined to be optimistic. But because they don't have a role in negotiating the agreements, some fear they will be disadvantaged. The employer reports that an opportunity to negotiate was offered to employees, but most employees did not take up the offer. Respondents did not know how to change the AWA, and did not feel motivated to instigate change.
- A majority of respondents were 'satisfied being employed under an AWA', but a substantial minority have no opinion about AWAs. A minority are not satisfied. (55% agree, 20% disagree, 25% no opinion). Satisfaction is slightly higher with the process of developing the AWA (57% agree they are satisfied with the process, 17% disagree, 25% no opinion), but so too is the percentage with no opinion about the process.
- The most important topic for all people researched were their current wages and conditions. As previously noted, these remained unchanged in the AWA from previous informal arrangements.
- A clear majority of questionnaire respondents disagreed that 'the conditions in my AWA are equal to, or better than, those in the relevant Federal award' (59% disagree, 10% agree, 31% no opinion); but this perception appears not to be based on fact. This statement was ranked as the most important statement by only 12% of respondents. There is general confusion about the relationship between the award and the AWA, and whether or not the AWA replaces the award.
- This company is differentiated from all others within the industry by its use of a totally casual workforce. Respondents agreed that 'casual work is the way of the future in a lot of industries' (62% agree, 37% disagree); although a majority disagreed that 'casual work is the way of the future in this industry' (40% agree, 55% disagree, 5% no opinion).
- Respondents were confused about the differences between 'casual', 'permanent', 'part time' and 'full time'. They found it difficult to understand how regular employment of some 40 hours a week or more was truly 'casual'.
- The benefit of casual employment was identified by the employer and employees as greater time flexibility for the employee than full time, permanent employment. Some employees were less comfortable with the casual basis of employment. This was more pronounced among those for whom MTS was their primary source of income. Despite placing equivalent value on flexibility and security (85% and 90%), it appears that employees value security of employment ahead of the flexibility benefits provided by the casual arrangement as a clear majority also disagreed that they were 'more interested in flexibility of work hours than security of employment' (30% agree, 67% disagree, 2% no opinion). The employer's view, which many employees acknowledged and accepted, is that the basis of employment is consistent with the contractual environment in which the business operates, and that therefore security derives from work performance (individually and as a company as a whole) rather than from whether employees are casual or permanent.

- Respondents in all groups acknowledged that their hourly pay includes an allowance for leave but would have preferred the AWA to make specific provision for an additional payment for holiday and sick leave.

In brief ...

- MTS operates in a competitive environment and needed to move away from the pay and conditions structures which applied in the former public sector monopoly provider, in order to achieve the flexibility and cost effectiveness required for it to be competitive. This occurred some time before the company decided to use AWAs.
- The MTS AWA was chosen as a way of formalising pre-existing informal arrangements, and has done so effectively.
- The work organisation (casual employment arrangements) and payment structures in the AWA continue to meet the competitive needs of the business, by contributing to continuing profitability and consequently continuing employment. Employees appreciate the flexibility offered by casual work, but also highly value the security that is not, by definition, available through casual employment.
- 72.5% of MTS employees report having some other form of employment: the casual arrangements embodied in the AWA therefore provide the means for an increased income, means which were not available via previous awards.
- The AWA provides a clear mechanism for clarifying and recording enterprise-specific work and conditions arrangements and, in doing so, can be a more direct mechanism and transparent mechanism than previous informal arrangements.
- Although employees desire a greater direct involvement in the agreement making process, it is not clear that their current level of involvement (and negative associations with the casual basis of work offered by the employer) has had a cost in terms of employee relations.
- Employees appear to lack the skills, experience and confidence to more directly contribute to the negotiation process around the AWA.

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Introduction and methodology

In November 1998, Smart Strategic Services Pty Ltd was engaged by the Office of the Employment Advocate (OEA) to conduct research, in the style of a case study, into the process of developing and implementing Australian Workplace Agreements (AWAs) in a Victorian health industry workplace.

At the same time, four other research organisations around Australia were also chosen as preferred research providers, to undertake similar research. The intention of the OEA was to allocate each research organisation one workplace that had developed AWAs, and was receptive to the conduct of this research. Workplaces were to be allocated to research organisations based on the research organisation's previous experience in the particular industry, and their geographical proximity to the organisation to be researched.

Methodology

THE RESEARCH APPROACH

The initial brief for the research, and subsequent discussions, established that the research was intended as a series of broad, investigative studies of the development of AWAs and issues arising. The purpose of the research was to inform future refinements in the processes of developing AWAs, and the role of the OEA in those processes.

By engaging a range of researchers, the OEA would not only gain information on a range of workplaces and AWA development processes; it would also benefit by using a range of research approaches.

Smart Strategic Services proposed using a journalistic approach: individual interviews and group discussions would identify a range of opinions about the topic and be used to tell a story. Key hypotheses and points of interest from the qualitative research would then be quantified, through an employee questionnaire.

This is the most commonly used research approach of Smart Strategic Services, and is particularly appropriate for small organisations (such as the subject organisation, with some 104 employees).

INITIAL PROPOSED METHODOLOGY

The initial submission, on the basis of which Smart Strategic Services was engaged, proposed the following steps:

- initial briefing with OEA gather further information on the research program, identify relevant past research, review the proposed methodology and identify a suitable workplace
- finalise the project design
- brief the employer and relevant managers, address any issues they may have with the research and invite their involvement

- brief employees and invite their involvement
- conduct individual and group discussions with managers and employees
- conduct quantitative research via a questionnaire to all employees
- prepare a project report.

AMENDMENTS TO METHODOLOGY

However, it was anticipated that this methodology may be amended following:

- a proposed meeting of researchers to examine common issues and approaches
- the development of guidelines and tools that might result in consistent reporting between researchers, and thereby enable the various reports to be compared
- discussions with the employer to ensure that their proposed involvement was not unduly onerous, or otherwise unduly intrusive; and to ensure that it used the most appropriate methods of information gathering for their particular circumstances.

A videoconference of researchers was held in early December to compare approaches and discuss the idea of a list of common questions. Two items were subsequently drafted by one researcher:

- a list of suggested questions (drawn for the most part from the Australian Workplace Industrial Relations Survey), which was administered during the employer interview, and which is attached as an appendix
- a common structure for the investigation, which was used as the basis for the qualitative research and to a lesser extent for the structure of this report.

In addition, notes on the case study method, and a paper on case study method¹, were supplied by the researcher and were useful for the development of the research.

FINAL METHODOLOGY

Following employer review of the proposed methodology, the following methodology was submitted to, and approved by, the OEA:

- identify and review other relevant research / documentation
- brief an employer representative about the project; determine employer expectations of the research, explain / cooperatively develop the research methodology; address any issues or concerns about the research / methodology; determine group composition characteristics and details of

¹ Case study evaluations, United States General Accounting Office (Program Evaluation and Methodology Division) November 1990 (GAO/PEMD-91-10.1.9)

group conduct; determine method of best briefing employees; finalise times for groups

- prepare and deliver briefing letter for employees
- interview relevant managers to identify relevant documents and collect factual information
- conduct focus group of employer representatives
- conduct three focus groups of employees
- develop and administer employees' quantitative survey, based on hypotheses emerging from the qualitative research
- conduct a combined group with managers/employees, should this be required to resolve outstanding issues
- draft report for review by OEA, leading to the preparation of final project report (all reports as required).

In implementing this methodology, three employee group discussions were conducted, the composition of groups having been determined after the initial employer interview to reflect the broadest range of employees. The groups composed five to seven people:

- who are predominantly 'opinion leaders' within the workforce; all ambulance officers; mostly dependant on MTS for their regular income.
- who are largely not dependant on MTS for their regular income; all ambulance officers; with a mix of ages; mainly current MAS officers (group 2)
- who are largely dependant on MTS for their regular income; with an equal division between ambulance officers and attendants; with a mix of ages; with no current MAS employees (group 3).

Following the completion of the group discussions, a questionnaire was developed and mailed to the 104 individuals currently available for employment. Incentives (a 'mystery flight' for two, plus spending money) was offered in order to encourage responses. 40 responses were received, or 38% of the total population.

QUOTATIONS BY GROUP RESPONDENTS

All group discussions were tape-recorded with the permission of respondents and transcriptions have been used as the basis for quotations published in this report.

In most cases, the verbatim record has been edited to correct poor expression, to reduce the length of quotes to their essence by deleting irrelevant material, and/or to remove references to specific individuals or events that may identify the respondent. Some distinct methods of expression have also been edited for the same reason. In all cases, great care has been taken to ensure the intent of the respondent has not been altered.

In some instances, respondents have made statements that are factually incorrect. There is no implication in this report that respondent statements are factually correct, and no responsibility taken for incorrect statements. The intention in including respondent statements is to represent their opinions, whether grounded in fact or not.

Quotes attributed to the employer were made by either the Manager, Administrative Services or the Director.

The ambulance industry

The circumstances of Medical Transport Services Australia Pty Ltd and its employees cannot be properly understood without first knowing something of the more recent history of the ambulance industry in Victoria. This is because:

- the formation of the company was in many respects a consequence of major upheavals in the industry (and was made possible by those upheavals)
- almost all employees have current (or have had past) employment with the government ambulance services, the latter generally retiring from the government service during the period of upheaval
- employees in the industry are a tight-knit group, with a high level of common knowledge between all branches of the industry.

In the group discussions, there were frequent and repeated comparisons between the situation of employees in the industry today and in the past; and between their employer, other private service and the government services. All this makes an understanding of the industry important.

What follows is, of necessity, a potted version of the recent past leading to the current shape of the industry. It is focused on the issues reported by management and employees (that is, it is not comprehensive in its scope).

1992 - 1998

The Victorian ambulance service until the early 1990s was, in the words of one respondent, 'a secure environment with scope for advancement'. All ambulance services were provided by the Victorian State Government through the Metropolitan Ambulance Service (MAS) (which is its popular title, the correct title being Ambulance Services Victoria - Metropolitan Region) or through six regional ambulance services within Ambulance Services Victoria. The Government was the employer, the Ambulance Employees' Union had total coverage of all employees and all employment was according to the award. Employment was almost exclusively full-time with casual employment a rarity. In the early 1990s, the MAS covered some 10,000 square kilometers around greater Melbourne and served over 3.5 million people.

1993 was the first of several tumultuous years for the service. In April 1993, the Victorian Minister for Health replaced the Service's Committee of Management with an administrator, referring to:

*'a range of problems ... including response times, productivity and budgetary performance ... MAS has a poor industrial relations record and the recent Coroner's Report referred to management's failure to properly communicate with staff, leading to low employee morale.'*²

² Ambulance Service Victoria - Metropolitan Region Annual Report 1993, pg 2

In that year's annual report, the Service's Chief Executive Officer announced:

'Near year's end, the Health Department removed the monopoly status Ambulance Service Victoria enjoyed in stretcher transport. The routine transport of patients between hospitals - organised and paid for by hospitals - can now be offered to private contractors.'^{3'}

In 1992, non-emergency patients numbered 80,770. The 1993 annual report notes:

'A review of demand on this division saw the number of patients transported drop from 80,770 to 77,647. The service continues to review all of its operations to ensure that only patients with medical needs have access to ambulance transport.'^{4'}

In October 1993, the Service separated its emergency and non-emergency patient transport functions. It established its Metropolitan Patient Transport division, to provide and co-ordinate non-emergency stretcher transport, clinic car services and attendance at public duties throughout the metropolitan area. The 1995 annual report notes, during the year, the:

'completion of a competitive tendering process which resulted in three years contracts being awarded for non-emergency stretcher transport and phased introduction of dispatching by the TallyHo Communications Centre operated under contract by Intergraph Public Safety.'^{5'}

1995 also saw a lengthy industrial dispute centering on wages and conditions although 'the second half of the year also saw a number of industrial issues resolved and progress of others jointly with the Ambulance Employees Association. An enterprise agreement was certified by the Australian Industrial Relations Commission in December 1995.'

The 1996 annual report notes 'consistent high levels' of performance from the four contracted providers of non-emergency patient transport services, decreasing average delay times and 'a workload (that) has increased by more than 10% despite competition from independent providers in the deregulated market.'

In the 1997 Annual Report, the service noted the continued employment of three contractors, a 13.1% increase in workload and the completion of a tender process for new contracts to commence in July 1998. Three existing and one new contractors were appointed, one existing contractor being Medical Transport Services Pty Ltd.

There are two important aspects to this string of events. They are:-

- the opening up of the non-emergency duties market to private operators
- the significant reduction in MAS staff.

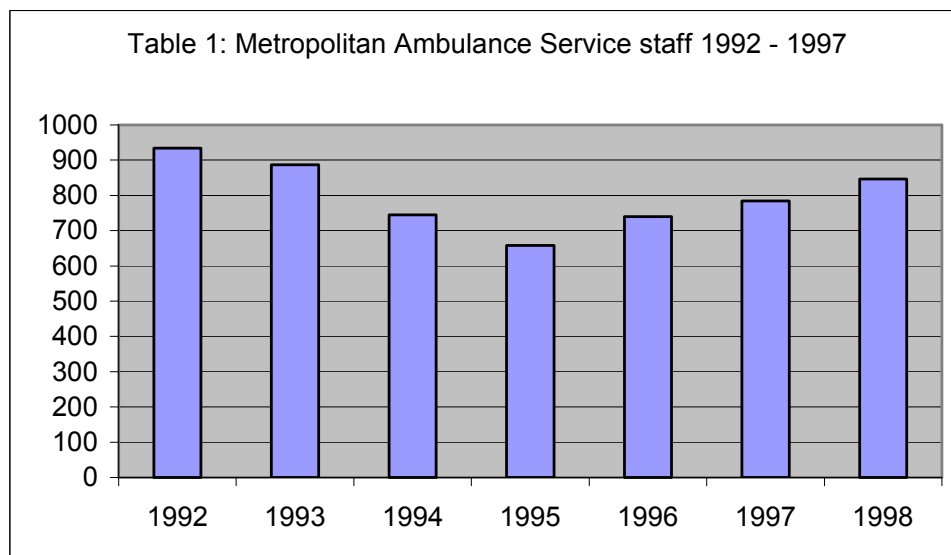
The employer explains the contracting arrangement as follows:

³ op cit, pg 3

⁴ op cit, pg 8

⁵ Ambulance Service Victoria (Metropolitan Region) Annual Report 1995, pg 5-6

⁶ The Metropolitan Ambulance Service Annual Report 1996, pg 3



Source: *Annual Report 1997 - 1998, Annual Report 1995, Ambulance Service Victoria - Metropolitan Region*. Staff numbers are for the financial year ending June 30. 1994 and later year figures exclude non-emergency subcontracting resources.

'MAS has four contractors providing services, and we are in constant competition with the other three. The focus of competition is at the tendering stage, which occurs every couple of years. Once contracts have been awarded, if we don't perform and our competitors do, MAS will reallocate percentages of the work away from us and to them. We are now the largest of the contractors, and the only one that does things other than stretcher transport.'

Table 1 shows the significant decrease in MAS staffing levels between 1992 and 1995, resulting from the major change processes within the ambulance service.

Three themes emerged from the group discussions about these times, themes that strongly influence the attitudes of the substantial number of current MTS employees who worked for (and subsequently resigned from) the MAS at the time. These are:

- the major organisational change that upset 'the way things had always been'
- the significant redundancies over the period
- the perception that the deregulated market has resulted in reduced wages and conditions for those employed by the private operators.

The employer explained their point of view:

'About 30% of our staff were middle managers, station officers, who became redundant as a result of MAS restructuring and chose to take voluntary redundancy packages rather than take what appeared to them as demotion. That coincided with the creation of private services that gave them an employment avenue that suited their qualifications. They are now working in lower levels of responsibility than they had when they were middle managers at MAS.'

It is worth noting, however, that despite the restructuring of the industry and the consequent retrenchments, that there appears to be no shortage of employment for

qualified officers. 51% of respondents felt 'it is easy for me to get a job in the ambulance industry' (33% disagreed, 15% no opinion). As the employer noted:

'If people weren't happy, they wouldn't work for us because they are qualified ambulance officers who are very much in demand. If you are qualified, you can get a job. If we were to terminate a qualified ambulance officer, he could get employed tomorrow with another employer, unless his reputation is so bad.'

The industry's three sectors

As a result of the reforms in the early 1990s, the ambulance industry (for operational purposes, and as characterised by the employer) now comprises three sectors:

- the government sector (Ambulance Services Victoria, as at 1 March 1999 with only two regions, metropolitan and rural), directly providing emergency services
- private contractors to the ASV for non emergency transport and public duty services, that meet the legislative and contractual standards required by ASV
- providers to hospitals (but not to ASV) that are not required to meet legislative and ASV contractual standards. (This sector is currently being reviewed).

Only Ambulance Services Victoria operates in the first sector, known in the industry as 'lights and sirens', or primary response work (although they find themselves occasionally in a non-primary response situation, as indeed the private operators find themselves occasionally in a primary response situation).

Medical Transport Services Australia operates primarily in the second sector. Non-emergency (non-urgent) transport of patients is work that is judged not to be life-threatening, and that can wait two hours or more for attention. This includes:

- discharges to home
- transfers of patients (where the patient is not expected to deteriorate in the short term and need other medical intervention)
- admissions for surgery where the patient is not in an acute, life threatening phase.

Some respondents report that emergency vehicles are in practice 'often' sent to situations more appropriate for themselves (and vice versa). The reasons claimed for this are related to the protocols and guidelines of the dispatchers, and are not directly relevant to this study.

The level of care required for patients in the second sector is the same as for the primary response sector.

Medical Transport Services Australia also does some work as well in the third sector. As the employer explained:

'Work for hospitals is done on competitive tender. Most of our work for hospitals is country work, discharges from hospitals at a country location on straight price competitiveness, with the best price winning the job.'

MAS contractual requirements

As explained above, the private sector comprises companies that meet strict MAS requirements, and those that do not. MAS requirements include:

- quality assurance to ISO 9000 as general transport providers (the employer is actually assured to ISO 9002, specifically for ambulance services [which includes clinical competency as well as transport ability], only one of two services in Australia to be so assured)
- the holding of drugs, poisons and controlled substances licence
- the conduct of an ongoing internal audit process
- vehicles to be designed (and equipped) to minimum stated standards
- minimum crew qualifications on the ambulance, depending on the type of duty.

The detailed terms of MAS contracts is strictly confidential: the employer faces significant penalties for revealing them. The terms are comprehensive and, as is widely acknowledged by employees (and reported later), have a major impact on the wages and conditions of employees.

The employer sees his company (as well as the broader industry) as being subject to the same pressures, being:

- 'community satisfaction with health care generally, and the general population's expectation that they get the best possible care, immediately. Things like how quickly we get the ambulance to them, the standard of care and presentation of the people on the ambulance, and what they do for the patient immediately.'
- government efforts to provide improved services with reduced budget allocations.

The company, its work and employees

Medical Transport Services Australia Pty Ltd was incorporated in October 1993 and commenced operations in the same month.

As previously reported, the primary work of the company is the non-emergency transport of patients. Other activities include:

- public duty standby (such as at sports events or concerts) where the company is engaged by the event organiser
- neonatal emergency transport from the Royal Women's Hospital, where a company driver transports a medical team.

The company is unique in the industry in providing only casual employment: other private operators provide only full-time, or a mix of casual and full-time. Employer and employee perceptions of the advantages and disadvantages of casual employment are reported later in this report.

Both employer and respondents report that employees see the variety, and type, of work offered by the employee as a benefit of employment. The employer noted:

'Football season is coming up. The (MTS) ambulance officers are in two groups: the ones that want their weekends off, and the ones that barrack for so and so, and want to go the match. So they go and watch the match and get paid for it.'

An employee respondent noted:

"I love this ...I do the racing, I go for drives in the country. It's so easy ... sure you've got to look after the patient, but they're all convalescing patients. Next week I'm doing a film shoot, I do the trots on Saturday night, I reckon I live a good life!"

Another added:

'I think one reason that people stay in this organisation is not the conditions of employment, it is the variety of employment. The others (private operators) just do purely transport work, but we have the advantage of doing racing, sporting, country trips and that type of thing which gives you the variety. And when you are older, in this job, you need a bit of variety!'

In addition, the employer noted:

'the better working environment of the company. A lot of ambulance officers like to work with other ambulance officers; they are not keen about working with assistants. We have a low ratio of assistants to officers. We have guys that work for us that refuse to work with assistants.'

The workforce

There are currently 104 people who have signed AWAs, and who may be contacted for work assignments.

QUALIFICATIONS

All employees require a qualification, and the level of their qualification determines their job. Qualifications are awarded by the Ambulance Officers' Training Centre.

Ambulance officer

An ambulance officer is qualified to the associate diploma level, or equivalent. Officers must be reaccredited every year.

Public duty standby requires the whole crew to be qualified ambulance officers.

Ambulance attendant

Ambulance attendants are:

- are Division One nurses (casualty, coronary care or intensive care nurse) who have done an ambulance bridging course through the Ambulance Officers' Training Centre
- an ambulance officer (either Victorian or interstate) whose qualifications are no longer recognised by Ambulance Services Victoria

Non-emergency stretcher transport does not require a qualified ambulance officer, but requires a minimum of one ambulance attendant.

Assistant / patient transport officer

An 'assistant' or 'patient transport officer' (previously ambulance transport officer) holds a TAFE certificate through the Ambulance Officers' Training Centre. The patient transport officer ordinarily drives the ambulance, but is encouraged to care for the patient (in order to build their personal interactive skills with patients, so long as the patient requires no active care).

The positions of the people that MTS employs are summarised in Table 2, as are the work positions of respondents to the questionnaire.

TABLE 2: WORKFORCE COMPOSITION

Position	Workforce %	Respondent %
Ambulance officers	79	75
Attendants	7	2.5
Assistants / patient transport officers	14	22.5

AGE

The majority of employees are in their 40s and early 50's. There are no apprentices or trainees. Table 3 illustrates the age of the workforce.

TABLE 3: WORKFORCE AGE

Age	Workforce %
18-24	2.5

25-29	2.5
30-34	10
35-39	5
40-44	22.5
45-49	27.5
50-54	17.5
55-59	7.5
60-64	5

GENDER

The gender of the people that MTS employs is summarised in Table 4, as is the gender of respondents to the questionnaire.

TABLE 4: WORKFORCE GENDER

Position	Workforce %	Respondent %
Male	86	85
Female	14	7.5
Not declared		7.5

HOURS PER WEEK

Table 5 illustrates employees responses to the question of how many hours a week they work with MTS. As the figures show, the majority work less than 20 hours, but there is also a significant group working between 30 and 50 hours a week.

TABLE 5: AVERAGE HOURS SPENT WORKING WITH MTS

Hours	Workforce %
Less than 10	30
10-20	25
20-30	10
30-40	17.5
40-50	15
More than 50	2.5

PREVIOUS, CURRENT OTHER EMPLOYMENT

Table 6 shows responses to the question of whether employees currently work, or have worked, for the government ambulance service or for another private operator. The table reveals that almost all respondents have either current or past employment experience with the Government service, and that a little less than half have employment experience (generally currently) with another private operator.

TABLE 6: PREVIOUS, CURRENT OTHER EMPLOYMENT

Position	Respondent %
Government / current	54
Government / past	43
Government / never	3
Another private / current	40
Another private / past	7
Another private / never	52

Percentages do not add to 100 because respondents can choose several options.

YEARS IN AMBULANCE INDUSTRY

Table 7 shows responses to the question of how long employees have worked in the ambulance industry. There are relatively few people with less than 10 years experience; the most populous segment is between 20 and 24 years.

TABLE 7: YEARS WORKING IN THE INDUSTRY

Years	Respondent %
Less than 5	17.5
5-9	5
10-14	15
15-19	17.5
20-24	25
25-29	15
More than 25	5

PERCEPTIONS OF WORKING STATUS

Table 8 shows how respondents perceive their working status. Despite suggestions in the discussions that many employees see themselves as semi-retired, this does not appear to be borne out by individual self-perceptions.

TABLE 8: DESCRIPTION OF WORKING STATUS

Years	Respondent %
Semi-retired	10
At the working stage of life	90

Industry award coverage

Victorian awards applying to ambulance officers appear to have commenced in November 1956, with a determination by the Victorian Ambulance Services Board. In it, 'ambulance officers qualified in first aid' were awarded seventeen pounds three shillings a week per week. The award included a wide range of provisions covering hours, overtime, casual labour, special rates for Saturday and Sunday work, annual holidays, sick leave, special leave, public holidays, meal intervals, uniforms, union interviews and other work conditions. Subsequent amendments to the award

appeared to have maintained the same basic structure and provisions, culminating in the most recent complete edition of the award, the (Victorian) Ambulance Services Award (#2 of 1989), made by the Employee Relations Commission of Victoria in August 1989. Subsequent variations to that award and the last award to be handed down by the Victorian commission in 1994 were minor.

In relation to casual employment, Award #2 of 1989 determined that:

'a casual employee, that is a person who is employed during any one week for not more than 20 hours, will be paid for all work on week days at the ordinary time rate per hour plus 25%, for all work done on Saturdays and Sundays at the ordinary time rate per hour plus 74% and for all work done on public holidays at the ordinary time rate per hour plus 100%. Such payment will include, and the casual employee will not be entitled to claim the benefits of sick leave and annual leave.'

As explained earlier in this report, until the early 1990s almost all employees in the industry were employed by a statutory authority of the Victorian State Government, and subject to the award.

Employment is casual

From the establishment of MTS in 1993, it has been company policy not to engage employees fulltime but to have them, in the words of the employer:

'employed by the company only for the period of their current shift, and to cease to be employed on the cessation of that shift. It is a purely casual arrangement. It guarantees no ongoing employment, and is purely casual in every sense of the word.'

Both the employer and employees describe the arrangement as an 'agency' arrangement, and several group participants drew parallels with the way nurses are engaged. This basis for the employment appeared to be fully understood by all group respondents.

The employer offered as the primary reason for requiring a casual staff as one of flexibility, noting, 'Flexibility was our key objective, to meet customer requirements.' He continued:

'At the time, we were more diverse than the ambulance service itself. We were operating a courier service for the ambulance service, and we wanted the flexibility to be able to do different things. We wanted to continue to have that flexibility. We supplied communications staff to the ambulance service and to Intergraph on an agency basis.'

The employer offered another example.

'We had the Department of Natural Resources contact us last year when the big bushfires were down at Gippsland and said, "We need people who have emergency driving qualifications to drive eighteen fire trucks from Bendigo to Bairnsdale, can you provide the drivers? ". We did, and I can't think of any other company that could.'

The policy of offering employment only on a casual basis possibly the most important factor in the development of the AWA at MTS, and employee responses to

it, (although, as explained later, this practice was in place before the employer considered an AWA). He is the only employer in the industry to do so exclusively.

Almost all group respondents had opinions about casual work. Most accepted the growth of casual work as an economic fact of life, with benefits and disadvantages.

THE CASUALISATION OF WORK

Respondents in all groups acknowledged the increasing casualisation of work. As one noted:

'It's a trend across the board for the workplace.'

Another noted:

'I think the workplace agreement in itself is probably quite good but I think the rest of society has to come along with the fact that we're becoming a very casual labour industry. Not just us, generally there's a trend towards casual labour.'

'I can have more than one casual job, two, even three if I want. One covers your bum for the other, if you lose one you've got the other. My wife does that, my daughters go to university, they have a numbers of casual positions, too. I think everybody in this room does.'

Another saw that the future of work would be quite different:

'Maybe these agreements are the way industry is going to go as a whole, not just the ambulance industry. The employer doesn't have to pay long service leave and sick leave and holidays. All they pay is superannuation. I'm talking 10-20 years down the track, not next week ... I think it's inevitable. By the time my kids get into the workforce that will be the case. The hourly rate will be a lot higher, and you've got to put your own money away for sick leave and holidays.'

'That's what I get my son to do, he's got to take control of his own superannuation, he's got to put away money for his own holidays and car payments, because some weeks he mightn't get enough work. I think it's a good thing, providing ... We were mollycoddled, everything was done for us. I've spent 33 years in this industry and when I started I thought, well I'm here for the rest of my life and basically I was. You couldn't say that now.'

A clear majority of questionnaire respondents agreed that 'casual work is the way of the future in a lot of industries' (62% agree, 37% disagree); although a majority disagreed that 'casual work is the way of the future in this industry' (40% agree, 55% disagree, 5% no opinion).

THE CHANGING DEFINITION OF 'CASUAL'

As already noted, the employment arrangement was readily described by respondents as 'casual', but not without some uncertainty and confusion of what 'casual' actually means these days.

Several respondents recalled the days when there was a clear difference between 'casual', 'permanent part time' and 'full time'. Respondents in all groups found it

difficult to understand how regular employment of some 40 hours a week or more was truly 'casual'. As respondents noted:

'I am working 100 hours this fortnight, it's not necessarily casual, is it ... it's almost a permanent arrangement.'

CASUAL WORK OFFERS FLEXIBILITY

The main benefit for employees of casual employment, identified by both the employer and employees, is that it provides greater time flexibility than full time, permanent employment.

The employer emphasised on several occasions that employees are completely free to nominate their own hours. As he explained:

'We say to staff, "You tell us what days you want to work, we won't tell you when you have to come to work via a fixed roster. If you have to be home looking after a child during the week or you're looking after your mother on certain days, you do that. Just tell us when you can work."

'Just about everyone said that's what they wanted, because they wanted to come to work when they wanted to come to work. It suited us, because the people that didn't, the people who wanted a fixed roster system instead of the flexibility, didn't work for us, they worked for other companies.'

'The group that took voluntary departure packages want flexibility because they do a number of things. Some of them are in semi retirement mode and they only want to work two or three days a week. Others have a business on the side, so they only want a certain number of days with us to back up what they are doing. Others get employment from us and from elsewhere, so they just want a few days for extra money. And the ambulance people just want to work for us on their days off and their holidays. It gives them the opportunity to gain extra money.'

The employer continued:

'It is extremely acceptable to say no and turn down a shift and that is reiterated over and over again. There are gaps for next week on the schedule. I will be calling people today and tomorrow and filling these gaps up, offering people work, generally around where they live, noting their preferences. I offer the work and they can say no and ask for the same kind of work on another day, I have to juggle that. Occasionally that means they don't get a shift because I can't fit their time requirements. They have absolute right of refusal. It doesn't mean next week they won't get a shift. There are also people who are rostered onto shifts a month in advance.'

Respondents in all groups clearly enjoyed the 'work when you want to' arrangement. As one noted:

'That is the real good advantage of this company, I can work as much as I want, or as little as I want. That suits me right down to the eye teeth. I can only speak for the ones I know, but I think that the majority are happy that they can work when they want to. I know it's a bonus for me. There certainly wasn't that flexibility in the MAS for part-time or casual work. That was the reason that I left.'

Another added:

'The biggest advantage is that if you do not want to work tomorrow, you don't have to accept the shift. If you only want to work three days this week, because you want a long weekend, then you don't have to accept any more. It's purely agency style.'

Another noted:

'There is one big plus. If you don't want to go to work on certain days, you just don't go, and nobody can say anything. If I want to go on holidays next week, I just go, no one's going to say "no, you have to go to work". The thing is, we work when we want to work, we don't work when we don't want to.'

Another added:

'You don't not turn up for a shift. You don't do what someone did and ring up and say I'm going (overseas on holidays) tomorrow. That doesn't make them happy.'

CASUAL WORK IS INSECURE, LACKS RIGHTS

Although casual work (whatever the employer or industry) enables a person the flexibility to work when they want to, it also relies on an offer of work from the employer. MTS does not guarantee employees work. It does not claim to, and has not done so since its inception; and this is clearly understood by employees. Not surprisingly, employees find this arrangement less conformable than the past government employment culture, which many are experienced. 'Insecure', 'uncertain' and 'no stability' were often used to describe the phenomena of casual employment.

One noted:

'Being casual, they have you by the short and curlies, as opposed to being permanent staff. Being casual, you're always wondering if you are going to have a job the next day ... you're always trying to do the right thing, not to tread on toes, even if it's only a minute thing ...'

Another noted:

'The problem in the casual industry is that if you negotiate and they don't like it, then you won't work. How can you stand up and make demands? ... the insecurity is a problem.'

'SECURITY' MORE IMPORTANT THAN 'FLEXIBILITY'

It emerged in the discussions that employees understood both the advantages and disadvantages of casual employment. Some were focused primarily on the advantages; others on the disadvantages.

Given the choice, some would opt for full-time employment with holidays and sick pay. This job is usually their primary source of income. They tend to be younger, with family commitments.

Others have other businesses, or don't need to work, or are semi-retired. As one explained:

'The ex-MAS people, most got the super payout and all the rest of it and are reasonably set up. Most people our age or older do it just 2-3 days a week to wind down. Being

casual doesn't really matter because you're already set up. It's just a little top up to keep their super going. So it really doesn't matter if the boss rings up and says "I don't want you tomorrow". You say great , I'll play golf or I'll do something else. '

The benefit of casual employment was identified by the employer and employees as greater time flexibility for the employee than full time, permanent employment. Some employees were less comfortable with the casual basis of employment. This was more pronounced among those for whom MTS was their primary source of income. The disadvantage from the employee's point of view is that work, and therefore a guaranteed livelihood, is not secure. While respondents appreciate and enjoy the flexibility, a clear majority do not prefer to work casually rather than full time (31% agree, 67% disagree, 3% no opinion). Despite placing equivalent value on flexibility and security (85% and 90%), it appears that employees value security of employment ahead of the flexibility benefits provided by the casual arrangement as a clear majority also disagreed that they were 'more interested in flexibility of work hours than security of employment' (30% agree, 67% disagree, 2% no opinion). The employer's view, which many employees acknowledged and accepted, is that the basis of employment is consistent with the contractual environment in which the business operates, and that therefore security derives from work performance (individually and as a company as a whole) rather than from whether employees are casual or permanent.

For the employees who rely on employment with MTS as their primary source of income, the unreliability of work can be unnerving. As one noted:

'We've got situations where we have people who sometimes get a full five days a week and sometimes they're lucky to be scraping two. And this is their primary source of income.'

Another noted:

'I need to work an 80 hour fortnight in order to maintain my family and commitments and everything else. By the same token, I need to know from one week to the next what I will be doing, so I can make the rest of my plans. It can be Thursday afternoon and I don't know what I am doing the following Tuesday.'

PROBLEMS RELATED TO CASUAL EMPLOYMENT

Respondents referred to a number of areas of disadvantage related to casual employment.

Respondents in two groups noted the difficulty of getting a bank loan as a casual employee. As one noted:

'I needed to borrow a small amount of money from a bank where I had had all my accounts for some 19 years. I had much more money invested with the bank, but didn't want to take it out. They said, "we can't lend you the money, because you're a casual employee". My wife was only working half my hours, but she was permanent, and she had to take out the loan. It leaves a bad taste in your mouth, when you can't even take out a loan.'

The original employment document

To give effect to this decision, those who were interviewed and considered suitable for employment were presented with a short document detailing the employment arrangement and requested to sign and return it. This document was variously referred to as a 'letter of engagement' and 'individual employment contract'.

Recollections of this document differ, differences resulting no doubt from differing motivations: one to establish a casual workforce, the other to continue with the industry practices of the past. This is a theme that recurs throughout this report.

According to the employer, the document:

'said thanks for registering with us, we will try to find some work for you. If we do, we will offer it to you, if we don't, we won't. And if you do work for us, this is what we will pay. It basically said they were terminated at the end of the shift, at 12 midnight we had no staff.'

According to an employee:

'when you went to get a job there ... you were agency staff, you would only work casual. There were no provisions for sick leave or annual leave, and you were employed at the start of the shift and unemployed at the end of it.'

In all instances, it is the employer's recollection that these documents were signed. The employer recalls that almost all were sent out in the mail, but some employees may have been asked to sign them on the spot. The employer also notes that:

'one or two people made initial contact and investigated the terms and said that they would go and work somewhere else. A few of the staff working for other companies didn't work for us because they were looking for higher levels of job security. We didn't guarantee work past one day, that was it. We still don't.'

Requirement for a more substantial arrangement

In 1994, the Ambulance Employees' Association notified all private ambulance companies that they were making a case before the Australian Industrial Relations Commission to have them respondents to the award. MTS subsequently became a respondent to the award.

When the company was established, the employer took as a starting point for the determination of wages and conditions the Ambulance Employees' Interim Order 1994, which at that time applied to Ambulance Service Victoria. That order, however, contained very limited provision for casual employment. In the employer's words,

'it does recognise that casuals can exist, but there is virtually nothing in it that says what the terms of the casual are ... we needed a better model of casual employment than what was provided by the award. The award didn't provide it at all.'

At the same time, the employer was also considering establishing operations interstate.

The employer concluded that, given these circumstances, a more substantial employment agreement with employees was required.

As the employer noted:

'We decided to look at ways of having a more substantial agreement with our staff, but one which was at all times above the award'.

Accordingly, the employer decided to set wages as the relevant wage in the Interim Order, plus an additional 25%. The 'relevant wage' chosen was that that applied to regional ASV officers, who unlike their metropolitan counterparts, did not have a rolled in rate (the latter allowing for leave and night, weekend and public holiday work).

Employees also saw the need to formalise and regularise the employment arrangement as a prime motivation for using AWAs. One noted that the employer's motivation was 'to do everything by the law ... to be seen to be doing it right ... to give the impression they are doing it right.' Another noted:

'When you start putting things down on paper, I guess there has to be an object to give staff a bit of security, at least they understand where they sit, and it is spelt out in black and white. So there are no arguments, it's there.'

Developing the Australian Workplace Agreements

Australian Workplace Agreements (AWAs) are one of a number of options established by the Workplace Relations Act 1996 available to employers and employees seeking to agree terms and conditions of employment. An Australian Workplace agreement is a written agreement between an employer and an employee about an employee's terms and conditions of employment. Key features of the process of developing an AWA, and of the contents of an AWA, are spelt out in Office of the Employment Advocate's publications Australian Workplace Agreements: How-to Guide and Australian Workplace Agreements: Information Statement for Employees.

The decision to use AWAs

The employer explains his decision to use AWAs as simple and straightforward:

'We read an advertising brochure that came out from VECCI⁷ (of which they had been members for about five years), talking about a seminar on changes to industrial relations legislation. They had a business breakfast talking about the changes in the Industrial Relations Act, which we went to, and they explained the various agreements following the 1996 Act, and the AWA just jumped out and hit us. It seemed to be exactly what we needed. It couldn't be better, and totally suited our needs.'

Fortuitously for the employer, several factors were present in this instance to provide an answer to their needs. These were:

- membership of an employers' association
- activity (including printed material and a breakfast opportunity to hear speakers, ask questions, observe feedback from other employers and obtain more information) by the employers' association, that captured the employer's attention and engaged them
- an understanding by the employer of the proposition behind the AWA, and how to use the AWA to meet business needs
- the belief by the employer that their current arrangements needed to change
- the motivation and resources to change
- an offer of fee-for-service consultancy assistance by the employers' organisation .

⁷ Victorian Employers' Chamber of Commerce and Industry

EMPLOYER MOTIVATION TO USE AWAS

The employer explained his motivation to use AWAs as the desire to have a more robust form of agreement with employees (a motivation with which employees agreed). Several employees also ascribed other motivations to the employer. They saw it as a way to reduce costs, improve productivity and so improve profits. As one explained:

'This company does not want to have [permanent] employees and the obligations attached to them. The workplace agreement was a ready made system, easily adaptable.'

Another observed:

'That is how he runs it. It is purely agency style. He does that so he does not have to pay long service leave, sick leave, annual leave, that sort of stuff⁸. He is cutting his costs.'

This is not to imply that employees do not consider the employer's position as legitimate. One observed (to general agreement) that the employer is an honest and decent person, but a tough businessman. The respondent continued:

'They're pretty much entitled (to take that position). If I ran my own business, I'd try to run it for profit as well. They're the ones who put their house on the line. We didn't. They're entitled to make money. The more money they make the more we've got work. Basically, because this company is more profitable, and doing better than the other companies, in the last contract we had a greater share of the work.'

A theme covered repeated later in this report is a general recognition by employees of the business constraints imposed on the employer by his contracts with the MAS. Above all, they recognise that a business aims to control costs. As one noted, 'He wants to make it as cheap as possible - which is not a bad idea if I was running it!'

ALTERNATIVES TO AWAS

The award

As already reported, the employer did not see the use of the award as an option.

One employee, however, did not agree, noting that 'the current award that covers the ambulance service would have sufficed, but that would probably have been more expensive so would not have been suitable.' Another employee also felt that individual contracts would have been difficult to manage.

Registered agreement with IRC

By the time the employer decided to move from the original letters of engagement, industrial relations matters in Victoria had been transferred to the Commonwealth. As the employer reported:

⁸ Long service leave is provided for in the AWA

'The only alternative was that in the early days we would have had to have registered an agreement with the Industrial Relations Commission in Victoria. We missed the boat on that.'

Certified agreement

The employer saw his other alternative as a certified agreement. He reported:

'We couldn't do it because we had to involve the union in the Industrial Relations Commission and get their agreement. And we didn't want the union involved. If the commission agreed to it, the union can still place restrictions on the staff. We did look at that. One other company was attempting to have an enterprise flexibility agreement at the time and struck a lot of difficulty. The union opposed it strenuously in the commission. It would have been a long drawn out case, a lot of money to get it up and running.'

Development of the AWA

The AWA was drafted in-house by the company's Manager, Administrative Services. The process followed was to:

- contact the OEA to obtain information on how to draft a document (according to the employer, the *Guide to employers* was provided)
- draft the clauses, paying special attention to the requirements of employers detailed in the brochures
- submit the draft to VECCI for checking to ensure compliance with the legislation.

The employer's faith in the process (as well as their apparent competence to undertake it) was validated when only minor changes were made to the draft by VECCI. As the employer said,

'We drafted it up and sent it off to VECCI. They went through it, made sure it complied with the legislation, put in the appropriate preamble and things like that. They made very little change to it, and those changes were minimal. They didn't change any of the actual conditions, just the wording. It was obviously good. It worked.'

AWA DIDN'T CHANGE CONDITIONS, JUST PUT IT ON PAPER

The first and possibly most important point about the development process is that it was a minor event in the life of the company. It was essentially a paperwork exercise to supplant previous paperwork. It did not change company policy, nor did it change the most important aspects of the employment agreement (being flexibility and the casual nature of the arrangement from the employer's perspective, and wages and conditions from the employees' perspective). This reality was expressed repeatedly by employees:

'Our wages – our hourly rate - didn't actually change as a result of the workplace agreement. ... previous arrangements were much the same as they are now.'

'(The letter of engagement was) pretty much an informal version of what we have now.'

'It just put it on paper ... it just put the arrangement in writing.'

As would therefore be expected (and as the comments in this report attest), employees are primarily concerned about wages and conditions of employment, rather than the legal form of their expression.

NO INPUT TO AWA BY EMPLOYEES

The point most commonly raised by employee group participants in relation to the AWA development process is that they had no input into it. As the explanation of the development process shows, employees had no formal (or identifiable informal) input into the document. As respondents stated:

'We weren't consulted at all during the process. We were presented with the final draft, and "you can sign it if you wish, you don't have to if you don't want to". We weren't consulted about the content of it.'

Employer's view on employee input

Whether or not employees should have input into an AWA is essentially a value judgement. From the employer's point of view, what occurred was quite proper, being as they saw it an extension of past practice and not changing existing wages or conditions. The draft AWA is, after all, required to be found by OEA investigation to be no less than the current award conditions. As the employer noted,

'(The employee's role was) overt to none. Except that what was written was the status quo, and the status quo was what was developed by an agreement between the staff and management over a period of years. Also, when it was presented to employees, all employees were invited to discuss areas of concern. Almost none accepted the invitation'.

Employee's view on input

From the employees' perspective, the necessity for input was not a strongly held belief. The lack of it perhaps niggled, but there was no strong feeling that it is essential in the future (although it is something they would like to see). It was rather a feeling that it would be the right and proper thing to do, to allow some participation in decisions that affect them. As one noted,

'I suppose (the AWA) could be up for negotiation a little bit more. It didn't give us room for negotiation. From my point of view, I would have liked to see a little bit more input from staff ... consultation ... not even so much in wages or conditions, just in the general running of the show. It would be nice to have a bit of input.'

Importantly, respondents in all groups noted constraints imposed by MAS requirements as a practical barrier to their ability to negotiate wages and conditions.

'MAS dictate how the company runs. MAS have to take a lot of responsibility as well, not only the private contractors, MAS rule with a big stick. We're contracted to MAS, they're the boss. You follow the rules, and if you don't, if you step over that line, you're going to get thrown into the hole. (The employer) is in a fairly difficult position, because of the terms of their contract.'

'(The employer's) contract with Metropolitan Ambulance Service is 28 days. He can be wound up in 28 days so he has to protect his backside as well as I would, too. And he's invested a huge amount of money in these vehicles ... it's not only us who are locked into it ... (the employer) is locked into it as well.'

'All the agreements are the same. You cannot negotiate. You see, if you had separate agreements, (the employer) might want to negotiate six hour shifts, but there is no way he could have it because MAS' contract says that they have to be 10.'

'You would probably find a lot of the enterprise agreement (sic) is based on what the ambulance service have told (the employer) to do, except maybe for conditions and pay things which are (the employer's) input. The actual work conditions are the MAS input.'

The employer, too, referred to these provisions as effective constraints on the company:

'The Government wants to do it all as cost effectively as possible. So our contract has clauses requiring us to provide services within parameters. If a car is not on time, is later than 30 minutes, we are penalised. If they refuse to work after knock off time, we can be penalised under certain circumstances. It is all time based, and it is all driven by what the community wants.'

Presentation of the AWA to employees

The agreement was presented to staff in June 1997. This was done at luncheon where the AWA was distributed and explained. Anyone who was unable to make it to this luncheon was mailed a copy of the agreement with a covering letter explaining it.

Employees engaged subsequent to that presentation were given the AWA and requested to return it.

Meetings followed by a luncheon are twice yearly events for all employees; and discussion of the AWA is a standing item on the agenda.

A majority of questionnaire respondents (59% agree, 33% disagree, 8% no opinion) agreed that 'the effect of the AWA was explained to me before I signed it.' This statement was also ranked as the most important statement about the AWA by 18% of respondents.

NO TIME FOR DISCUSSION

Several group participants expressed as an issue the haste with which they felt the June 1997 lunch had handled the AWA, and the lack of opportunity for meaningful discussion. It must be noted that employees reported their perception, rather than any clear indication by the employer that it is compulsory to sign an AWA. The employer reports that employees are not placed under any duress to sign the AWA and notes that two individuals who have refused to sign AWA on grounds of principle continue to gain employment with the company. The *Australian Workplace Agreements Information Statement for Employees* clearly explains that signing an AWA

is voluntary and an employee may be able to make a claim against the employer if you are dismissed for refusing to sign an AWA.⁹

Equally, this should not be interpreted as meaning either that employees were 'time-pressured' to sign, nor that the explanation of the AWA was inadequate. No respondents reported either time pressure or inadequate explanation. Indeed, several expressed satisfaction with explanations, one noting,

'After it was presented to us, I thought it was explained quite well, it wasn't just saying, "here's a book, sign this". It was gone through and explained.'

Further, a clear majority of questionnaire respondents (79% agree, 13% disagree, 8% no opinion) agreed that they had 'an appropriate time to consider the AWA before they signed it.' This statement was also ranked as the most important statement about the AWA by 15% of respondents.

CONFUSION OVER TIME REQUIRED TO SIGN

The above comments apply only, of course, to employees as at June 1997. The more recent employees have the AWA presented to them at the time of the initial interview, and no comments were made of any lack of opportunity to discuss it with the employer. There was, however, some confusion about the length of time within which they had to be returned, and what should be done during this time, as the following quotes attest:

'You go down and ask for a job, they check your credentials and they hand you this piece of paper to sign. You weren't supposed to fill it in or sign it for seven days or something and there was a statute of limitation on your filling it in, too.'

'I had five days to fill the AWA in, and it came back three months later'

PERCEPTIONS ABOUT CONSEQUENCES OF NOT SIGNING AWA

The *Workplace Relations Act 1996*, and information booklets for employers and employees, state clearly that employees are not required to sign an AWA, and that it is against the law for anyone to apply duress to an employer or employee in connection with an AWA.

The employer reports that no direct or indirect pressure as applied to any employee to sign the AWA, and there were no reports by employees of any direct or indirect application of duress to sign. However (and somewhat paradoxically), employees in all groups had a clear perception that they would not be employed if they did not sign the AWA. This perception related not to any actions by the employer, but rather to an intangible sense by employees that they might somehow be disadvantaged by the arrival of a new and unfamiliar form of documentation. On the other hand, some did not feel threatened:

'So many other blokes working here had already signed it and I thought that if they signed it, it must be OK.'

⁹ *The Australian Workplace Agreements Information Statement for Employees.*

'I don't have any issues with it at all ... Signing the agreement to me was a formality to earn a few extra dollars.'

THE ROLE OF THE OEA

A number of respondents recalled mention of government involvement in the process, in such a way as imply additional stature to the process. As one said:

'There was a preamble in it that said it had been to the employer advocate (sic), that it had been tested against the award, and that it complied with the standards required. That was in the preamble to it. They said, basically, "this is what we are giving you, it has been applied to all the tests and it passes the tests, if you have a problem with it, we have complied with our requirements".'

Another noted:

'We were also advised that the government did reserve the right to talk to us at a later date and check the contents of the document. We were advised at the time of employment that we didn't have to sign it straight away, we had the time to sit and study and read it at a later date and that the government reserved the right to come and ask us, "Did you get one, did you sign it, did you know what was in it?'''

NO ORGANISED CONSIDERATION OF AWA BY EMPLOYEES

Also relevant is the employees' lack of experience with agreement making, the fact that they did not meet separately to discuss the AWA, their non-use of a bargaining agent and the lack of involvement in the process by the Ambulance Employees Association (the union, which in the case of many employees, has represented them in these kinds of matters for many years).

Lack of experience in agreement making

All groups reported (despite the presence of ex-shop stewards in at least one group) that they had no experience in making employment agreements. Significantly, neither does the employer: all parties appear in terms of employment agreement making experience to be in the same boat.

Several respondents reported efforts to arrange a meeting of employees, but such a meeting did not take place.

Non-use of a bargaining agent

The question as to whether employees had used (or had felt inclined to use) a bargaining agent was met in all groups with blank stares. Further questioning revealed that the possible role of such an agent was not known; that likely agents were not identified; and that the very term 'bargaining agent' did not suggest any answers.

Non-involvement by AEA

Neither employees, nor the employer appeared inclined to involve the Ambulance Employees' Association in the development of the AWA.

Employee viewpoint

Several respondents reported that there are 'four or five' members of the AEA working for MTS.

It was reported that the AEA wrote to members then working for MTS offering to assist with the development of the AWA. There was apparently no response. Some respondents indicated that they thought union membership was discouraged.

Equally, while respondents spoke well of the AEA's successful efforts to move members from the State to the federal award, they were uniformly less than complimentary about the AEA's response to the emergence of private services. One respondent claimed, to general agreement, that:

'the union initially did not want a bar of it ... the union abandoned the private sector people altogether.'

Another added:

'the AEA initially told people, "Sorry, you can't do this ... you can't be in the MAS and go and work in the others".'

A third thought:

'They have handled it slowly. Indecisively. They've got their mind on what they commonly call the "bigger picture".'

Employer viewpoint

The employer, for his part, was not keen to involve the union in developing the AWA. As the employer explains:

'There were very good reasons for this. When we started off this business, we had a lot of opposition from the union. Their view was that we were taking jobs away from their members. Then, in 1994, we started to do public duties. They opposed that, because it was work that they were directly involved in. They picketed us at the race meetings. We were picketed as a company, not by our own staff but by the staff of Metropolitan Ambulance Service. So we wanted to keep the union at arms length at all times if possible. It seemed that they, rather than trying to take coverage of the staff that we had, were more interested in causing us to cease to exist. I remember seeing a document which said that their main aim was to make sure we didn't exist. This company was not referred to specifically, but the private operators were, of which we were one.'

This was not the environment, the employer concluded, to use the award for the proposed casual arrangement. As the employer explained:

'We saw early in the piece that there was no means under the award where we could employ on a very casual basis ... the union wouldn't allow it, they wouldn't negotiate it. So we took the opportunity to negotiate directly with the people themselves, out employees.'

Relationship of AWA to the award

The current award applies to two employees, and continues to be a factor to be considered for those in AWAs (particularly because of the 'no disadvantage test'). Most respondents saw the AWA and the award as connected; a substantial

percentage of employees are accustomed to award-based employment; and most continue to have work or social ties with ASV, where the award is still widely applied.

Respondents were generally confused about the relationship between the award and the AWA. This confusion was reflected in both the groups, and in the quantitative research when asked whether their 'AWA replaces the relevant Federal award' (45% agree, 32% disagree, 24 % no opinion).

Some felt the award still applied; others the opposite. As one noted:

'It's meant to be in addition to the award, but in practice it virtually replaces the award ... I think that the AWA was meant to maintain all conditions that were under the award and supplement and improve them.'

Respondents knew that the award still exists, and that you don't have to be a union member to come under it. They believed that the AWA had taken account of the award, although opinions differed on how well it had done this:

'Originally, I think (the award) was used by (the employer) as a bit of a guideline on the conditions.'

'I understand that the contractors were instructed to employ and remunerate their staff according to the ambulance award, with a factor for casual employment of 25%. But in practice, because it was fairly open to interpretation, the base rate (before the 25%) was that used by the regional ambulance service which didn't include weekend work, shift allowances, public holiday allowances etc. So the bottom line is that we are earning on an hourly rate the same as a guy who also gets 10 weeks holiday and sick leave. That is, we actually earn less. I also work for the State full-time. I earn more money per hour when I work for them than I do here, plus holidays and sick pay.'

'With the award, the rate of pay is for a qualified ambulance officer has allowances for skills, from CEP1 to CEP7¹⁰. Although we have to have the CEP7, and we get reaccredited each year in that skill, we are not paid that allowance. That's where the difference in the wages is.'

Knowledge of AWA

As previously reported, the employer has a process for explaining the AWA and providing material about it to employees. However, given the minor role the AWA plays in the life of the company and employees, it is perhaps not surprising that recollection of its contents is thin, as the following comments attest:

'To be quite honest with you, I don't know a lot about it.'

'I think we had to sign and return it, and then we got a letter from the advocate.'

'I haven't read it enough to be able to answer a few basic questions.'

¹⁰ Continuing Education Program

Although employees do not report a high level of knowledge of the terms of the AWA, the perceived lack of knowledge is not driving a demand for greater information: a substantial majority of questionnaire respondents 'get the information they want about what is in their AWA' (72% agree, 7% disagree, 20% no opinion). This statement was ranked as most important by only 5% of respondents.

This perception of a general lack of interest in the AWA is reinforced by questionnaire responses to when people last looked at, or discussed, their AWA. As tables 9 and 10 show, over half looked at it a long time ago - or haven't looked at it; and most have not discussed it since signing it, or never discussed it.

TABLE 9: WHEN LAST LOOKED AT COPY OF AWA

	Respondent %
Recently	42
A long time ago	47
Never looked at it	3
Haven't got a copy	8

TABLE 10: WHEN LAST DISCUSSED AWA

	Respondent %
Recently	24
A long time ago	10.5
At the time of signing	26
Never discussed it	39.5

THE DISPUTE RESOLUTION PROCEDURE

The AWA contains a procedure for resolving disputes. According to the employer, 'it has never been used. Not even close.'

While almost three quarters of questionnaire respondents agreed that 'my AWA contains a dispute resolution procedure', one quarter had 'no opinion', possibly indicating that they do not know whether there is such a procedure or not (74% agree, 3% disagree, 24% no opinion). This statement was ranked as the most important statement by 12% of respondents

Employees were uncertain as to what sort of disputes might be resolved with it. One offered:

'The most obvious one is complaints by nurses and hospital managers about ambulance officers. They are territorial people, it's their area that you are going into.'

PROCESS TO CHANGE THE AWA

No respondent in any group had any idea of how the AWA might be changed. One felt that it 'allowed for negotiation', another asserted (incorrectly) that:

'There is a clause in the agreement that makes a comment about any movement in the outside sector in salaries or conditions will be met and reviewed and applied when his contract is renewed.'

Opinions about AWAs

If, as explained previously, perceptions of wages and conditions at MTS are strongly influenced by what is happening (and what has happened in the recent past) in the industry at large, then much the same can be said for Australian Workplace Agreements. Conservative governments with agendas for workplace change, a diminished union movement, new forms of agreement making, the rise in casual employment, retrenchments and downsizing are powerful factors shaping perceptions of AWAs in general. So what do employees make of AWAs in this context?

AWAs in general

'A SIGN OF THE TIMES'

As previously reported, the company's workforce has strong and enduring links with the government employment culture of previous times: a culture which they recall (or imagine) as more comfortable than the one in which they currently find themselves. Not surprisingly, insofar as they have a broader view of AWAs, they tend to see them as tools of this less comfortable culture (and despite the acknowledged fact that their current terms and conditions were effectively established in other forms of agreement before the AWA existed).

As one respondent noted:

'It's interesting that whilst there is high unemployment, workplace agreements are in. If we go back to the early 1960s, when we had more people employed than there were jobs, you will see these thrown out ... If you had it the other way around, you would be able to demand conditions ... It's because of the fact that they have high unemployment.'

Some employees perceived a reduced influence of employees over the determination of wages and conditions. However, they did not see this as automatically translating to disadvantage at the hands of the employer. Respondents in this study overwhelmingly expressed a belief that their employer is fair and trustworthy in industrial relations matters. It was rather a concern that an employer might be able to disadvantage employees using AWAs. As one noted:

'I was very concerned about it, but I don't know if I had any expectations. I was worried that it was going to be very one sided. Obviously, they are not going to bring anything in unless it is there to save money (no one wants to bring something in that is going to be more expensive). So, you get worried about whether you are going to have either your conditions or salary reduced, effectively anyway. These thoughts would have been going through everyone's minds. With workplace agreements, that's gone on a lot.'

Another added:

'Not all employers are good. I know a few employers that I wouldn't trust ... not the one we're working for, but there are others ...'

On the other hand, people in all groups were inclined to be optimistic. As one noted:

'There is a mentality that the employer is always going to look after themselves. I think there is a fear of the unknown. After all, they are in business to make a profit. If they couldn't make a profit, they wouldn't be in business ... but hopefully, they're going to do the best by their employees as well...'

BENEFITS OF AWAS

Many respondents were well-disposed toward AWAs, for varying reasons:

'Workplace agreements can be beneficial if what is struck is an equitable arrangement.'

"It also protects us ... it does go both ways ... he can't just suddenly say that he's going to drop our wages ..."

'Workplace agreements work very well for industries that don't have awards, where people are being employed almost in a sweat shop situation. A workplace agreement could be structured to protect people in those types of industry to keep conditions and salaries at a workable and realistic level. In this industry, where there was an existing award, a workplace agreement, while it may not erode those conditions, may give flexibility for things that didn't exist before.'

In true Australian spirit, one respondent raised the importance of 'the umpire'. He noted:

'I think the agreements are good but it's like everything else. You need a pretty good watchdog. That might be the Industrial Relations Commission, or someone like an ombudsman. I would expect him to look very closely at how the agreements affect people. I think the bottom line of all these agreements are the dollar sign and unfortunately people get lost along the way.'

This AWA in particular

GENERAL LEVELS OF SATISFACTION

The qualitative research indicates that a majority of respondents are 'satisfied being employed under an AWA', but that a substantial minority have no opinion about AWAs. A significant number are not satisfied. (55% agree, 20% disagree, 25% no opinion). This statement was also ranked as the most important statement by 12% of respondents.

Satisfaction is slightly higher with the process of developing the AWA (57.5% agree, 17.5% disagree, 25% no opinion), but so too is the percentage with no opinion about the process.

WAGES

As could be imagined, the topic people in all groups most wanted to talk about were their wages and conditions under the current AWA. All other topics are of much less significance than what they take home each week, and the conditions under which they work.

As previously reported, the wages and conditions in the AWA were determined when the company was established, not when the AWA was developed. The then wages and conditions were examined by the OEA at the time of registering the AWA and found to pass the 'no-disadvantage test'. The test 'ensures that an employee's overall terms and conditions are not reduced by an AWA, when compared with relevant awards and any relevant laws'¹¹.

On the one hand, they were not part of the process of developing the AWA, and were not changed by that process. On the other hand, the AWA is widely seen by employees as institutionalising pre-existing wages and conditions, and will be the vehicle by which they are maintained (or altered) in the future. Accordingly, we consider this relevant, and have therefore included the comments.

The most important aspect of the current AWA for the majority of respondents in all groups was their wages.

The AWA sets a range of rates of pay for different types of employees and different types of duty. It also specifies additional amounts to be paid for hours in addition to eight hours in a shift, weekends and public holidays, and for meals. There is also a productivity bonus.

Wages were originally determined by the employer as 'the award base rate, plus 25%'. As he explains:

'We pay them as casual employees; they get the base rate in the award, plus the 25% for being casual, under a workplace agreement.'

The employer explained that there different ways of making this calculation: the award rate for metropolitan service employees was the 'rolled in rate', including an allowance for leave, weekend and night duties and calculated on the basis of projected rosters, while the rate for regional service employees did not include these rolled-in factors. The rate for regional service employees was used by the company as the basis for their calculations.

Relativity with others in the industry

A key factor of the AWA process is the 'no disadvantage test', whereby draft agreements are compared against a current relevant award to ensure employees are not disadvantaged by the AWA.

That notwithstanding, dissatisfaction was expressed in all groups with the perception that others in the industry are being paid more than they are. A clear majority of questionnaire respondents disagreed that 'the conditions in my AWA are equal to, or better than, those in the relevant Federal award' (59% disagree, 10% agree, 31% no opinion). This statement was ranked as the most important statement by 12% of respondents.

Several claims of relative disadvantage made by respondents in groups were checked and found to be not correct; indeed, of the checked claims, MTS employees were

¹¹ p15, *Australian Workplace Agreements How-to Guide*, Office of the Employment Advocate, Sydney, 1998

likely to be paid more per hour than the award. The calculations are, however, complicated and it appears that in this instance perceptions are more powerful than facts.

Relativity between attendants and assistants

The basic hourly rate for stretcher transport duty for an attendant is \$19.00; for an assistant, \$17.50. Several attendant respondents were dissatisfied with this margin:

'The unqualified person¹² gets \$18¹³ an hour plus 38 cents an hour because he drives¹⁴. We get \$19 a hour. You work it out. We are getting 58 (sic) cents an hour more than him and guess who is totally responsible. We are responsible for him, the car, everything, for his driving.'

'The majority of the ambulance officers have a large number of years plus additional qualifications to the actual ambulance officer, and you find that you are only 30 (sic) cents an hour more. If there was a bigger gap, you would probably find that there would not be quite so much ill feeling.'

'If I was to get reaccredited to just become a driver, I would probably be financially better off. I would be working longer hours in a sense, getting more money, with no responsibility. Most of the drivers get more money on a yearly basis than we do anyway.'

Movement with the sector

Respondents in all three groups have seen wages increase in other parts of the ambulance industry, while their own wages have not (or by only a small amount, depending on their time with the company). The discussion in all groups brought forward the only suspicion of the employer's intentions and actions expressed throughout the study: 'Are we being correctly paid?' and 'I have a sneaking suspicion we are entitled to a pay rise' were two comments made, to general concern.

Comments such as these suggest that some respondents do not fully comprehend the essential basis of the AWA: that it is a contract entered into for a fixed period of time, and its terms and conditions are not subject to change during that time. They might be happy enough to go along with the paperwork, but if they perceive pay in the industry going up, they expect theirs to go up, too. And they don't accept it if it doesn't. They expect the process to contain mechanisms to keep their pay in line with the industry.

LEAVE

Respondents in all groups, while acknowledging that their hourly pay included an allowance for leave, were nonetheless concerned that the AWA did not provide for

¹² They are actually less qualified, not unqualified

¹³ Actually \$17.50 per hour

¹⁴ This figure is actually \$0.30 per hour and refers to a drivers' rewards points system, which is a rewards system available to all drivers for accident-free driving. It is not specified in the AWA.

holiday and sick leave. As they saw it, people get sick and need to take holidays, and how can they afford either?

OTHER ISSUES

Respondents also reported a range of other conditions available in other parts of the industry that they do not enjoy:

'Good drycleaning is included in the award'¹⁵

'(MAS staff) have a depot, a branch which would have hot and cold running water, showers, chairs, toilets, TV, cooking facilities, a microwave, a lounge, beds for night shifts (although we don't do night shift). There is free tea, coffee, sugar, milk, that was all in the award ... in the Federal Award. You would have a locker.'

'Most of the officers that work for Ambulance Services Victoria are attached to a branch. We change around a lot, Tullamarine one day, Ferntree Gully the next day.¹⁶ It makes it more difficult in that respect.'

A final aspect of the AWA that drew comment in all groups is the requirement for crews to accept a job within 20 minutes of the end of the shift.

'10 hour shifts on the road were a no-no in the MAS days because crews would be burnt out. Now, you can't refuse a job if it is within 20 minutes of knock off time, so you can find yourself working 11 and 12 hours.'¹⁷

'At Ambulance Service Victoria, they return back to their branch after they have finished a job. Sometimes they don't work their full ten hours. But we leave here at about nine in the morning and we don't get back till we finish, or after ... we more or less eat on the run, whereas they have the opportunity to return back to their station and relax. We have a finish time, but that is not necessarily the time we finish. And we don't get paid time and a half for it, we get paid single time for the time worked.'

¹⁵ The current award does not refer to dry cleaning

¹⁶ The employer reports that this does not occur. Employees might work between adjacent depots, but not between depots across town.

¹⁷ The employer reports that Ambulance Services Victoria - Metropolitan Region staff now work 10 to 14 hour shifts.

Improving AWAs

Finally, respondents in all groups were asked what they would like to do to improve their AWA. While the comments in this report provide many suggestions for change, the specific question, at the end of each group discussion, also provides some indication of the most pressing considerations.

Have my voice heard

Respondents wanted to be heard more in the development of their AWA. As they noted:

"It would have been nice to have your voice heard. Maybe a few options would have come up. Obviously, two heads are better than one ..."

'We would like to be consulted on them. We should have been consulted before the agreement was written. They should have asked, 'What would you like in the agreement?'. If we had got it or not is another story, but it would have been nice to have been asked.'

'I would have thought that the way it is intended, you negotiate with your staff on what are the most suitable conditions, not say, "Here it is, take it or leave it". I always thought it was a negotiable thing.'

'Maybe a survey of what we want in our workplace agreement.'

'As a group of everyone that works for the company, we should be able to negotiate. If we had a meeting I'm sure we could come up with something we would all be happy with.'

Every one of the comments above was qualified by an acceptance that their voice might not actually change the final outcome: the important thing appears to be able to express their opinion, and have it considered, rather than necessarily accepted. We have previously reported that employees understand that MAS contract requirements act as a powerful constraint on the employer's options. Respondents raised other issues as well:

'... although I must admit that when you ask people to take part in a consultation process, you end up doing what you wanted to do in the first place because no-one can make up their mind. What you need is one strong willed person to write the whole lot down and everyone says "yes, I'm happy with that, are you happy that, let's vote on it, plop, it's done".'

'Of course, people are going to come up with stupid things.'

'I think the end product would have been the same.'

'You can't necessarily ask them what they want to work for, because someone will always work for less than you will work for. Look at St Johns. They'll come and do it for free.'

'Individually it would be good to negotiate your own agreement, but you have to keep a handle on things. If everyone negotiated their own agreement, you would have (one person) on eighty grand a year and me on twenty, for doing the same job. Management would be negotiating twenty-four hours a day for every day of the week. That's not practical.'

Some allowance / buffer for holiday / sick leave

As previously reported, respondents did not accept that they do not get holiday and sick leave. The employer's policy may well be that they are included in the hourly rate; but they see others in the industry getting these leave provisions, and know that if they get sick or want holidays, they do not have money coming in. One suggested a practical solution:

'Perhaps we could maintain the flat hourly rate for hours worked in excess of our shift, but in lieu of payment for that time, it could be put into a sick / holiday account, so you can accrue a bit of a buffer. I would have put that in as an option in the workplace agreement.'

In fact, the employer offers an arrangement whereby employees can 'bank' a limited amount of time to draw down when not working. The arrangement is not included in the AWA, and is available on request. There is a limit to the amount that can be built up. Some 20 to 30 employees are currently using the arrangement.

Change wage difference between ambulance officers and attendants

As previously reported, respondents expressed dissatisfaction with the wage difference between ambulance officers and attendants. This was also suggested as an issue of improvement to the AWA.

Incentives

One employee advocated an incentive system, 'based on the determination that is already enforced for the majority of ambulance officers in the State.' This is despite the AWA already incorporating a performance / incentive system based on the number of patient movements per shift.