

AG828799 PR938755

AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Workplace Relations Act 1996

s.170LJ Agreement with organisations of employees (Division 2)

Industry Administration Services Pty Ltd

and

**Finance Sector Union of Australia
(AG2003/7664)**

IAS ENTERPRISE AGREEMENT 2003

Insurance industry

COMMISSIONER SMITH

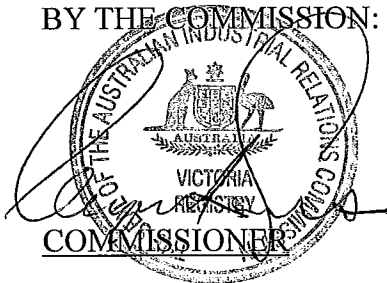
MELBOURNE, 30 SEPTEMBER 2003

CERTIFICATION OF AGREEMENT

In accordance with section 170LT of the *Workplace Relations Act 1996*, the Commission hereby certifies the attached written agreement.

This agreement shall come into force from 30 September 2003 and shall remain in force until 31 December 2003.

BY THE COMMISSION:



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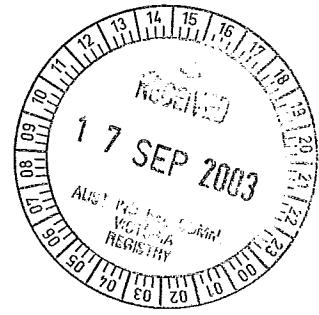
INDUSTRY ADMINISTRATION SERVICES CERTIFIED AGREEMENT

1. Title

This Agreement will be known as the IAS Enterprise Agreement 2003

2. Arrangement

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3. Relationship to Awards and other agreements

This Agreement operates in conjunction with the Insurance Industry Award 1998 ("the Award"). To the extent of any inconsistency between the IAS Enterprise Agreement and the Award, the provisions of the Agreement will prevail.

4. Parties Bound

This Agreement is made between Industry Administration Services Pty Ltd ("IAS") in respect of all its employees and the Finance Sector Union of Australia ("FSU").

5. Date and Period of Operation

This Agreement will commence from the date of certification and will operate until 31 December 2003.

6. Salary Increase

Wages will be increased on and from 1 July each year. The quantum of increases will be determined according to the following formula and are applied to the employee's package:

$$\frac{\% \text{ Increase in AWE} + \% \text{ Increase in CPI for the previous 12 months}^*}{2}$$

*March to March figures are used due to the delay in obtaining June results

This increase will apply to all IAS employees, except employees on probation or an employee whose position is subject to review based on unsatisfactory performance.

7. Leave Loading

Annual leave loading will be paid at the rate of 17.5% at the time that annual leave is taken.

8. Bonuses

In July of each year, IAS will apply bonus payments to employees of up to 10% of their package. The bonus will be assessed on an individual basis by the Management of IAS according to the bonus criteria issued to employees at the start of the financial year. As bonuses are funded directly by IAS clients, IAS Management will consult with IAS clients in relation to the quantum of bonuses. IAS Management will determine bonus criteria at the commencement of each financial year.

All IAS employees will be eligible for a bonus except an employee whose position is subject to review on the basis of unsatisfactory performance or who is on probation.

An employee who has been employed by IAS for less than 12 months will be entitled to their bonus on a pro-rata basis.

In order to assist employees to achieve their bonus criteria, management will provide performance appraisals verbally in around December- January and in writing in June - July of each year.

9. Superannuation

Unless otherwise provided by the contract of employment, the level of employer contributed Superannuation is as per the Superannuation Guarantee rate. Any increases in the Superannuation Guarantee rate will be provided as an additional payment to each employee's package. Employees will be given the opportunity to salary sacrifice their own contributions.

Employees may join any industry fund which is an IFS shareholder or, at the discretion of management, another fund of the Employee's choice.

10. Christmas / New Year Office Closure

IAS employees will be entitled to additional paid leave on the working days which fall between Christmas and New Year. However, IAS may require an employee to work during this period if a skeleton staff is required by a client on account of exceptional circumstances. Employees who work during this period will be entitled to substitute annual leave days at time and a half. IAS will primarily seek volunteers if staff are required during this period. An employee will not be required to work during this period if he/she demonstrates that his/her personal circumstances would be adversely affected.

11. Prenatal and Paid Maternity & Paternity Leave

In addition to the provisions of the Award with respect to maternity and paternity leave:

IAS acknowledges the flexibility requirement of employees during their pregnancy and in recognition of this will provide, in addition to other maternity benefits in this Agreement and

the Award, access to a bank of 24 hours which will enable the employee to attend the routine medical appointments associated with pregnancy. This leave will be paid and will allow such employees to attend medical appointments during normal working hours without being absent for a full day.

Female employees who qualify for maternity leave under clause 24.3 of the Award will be granted six weeks' paid maternity leave.

IAS employees who qualify for paternity leave under clause 24.4 of the Award will be granted one week's paid paternity leave.

IAS will allow an employee returning from maternity leave to work on a part-time basis. The terms of the part-time employment will be agreed between the employee and IAS.

12. Hours of Work

Except where a different arrangement has been agreed between an employee and IAS, a 37.5 hour week is worked. IAS employees will be rostered between 8-30am to 5-00pm to ensure service to IAS clients during these times.

All IAS employees will have an hour for lunch which is unpaid.

13. Annual Leave

Employees will be granted annual leave in accordance with clause 22 of the Award. However, if an employee accrues more than 30 days' annual leave, IAS may direct the employee to take at least 10 days' annual leave with four weeks' written notice.

14. Long Service Leave

IAS employees will be entitled to 13 weeks' long service leave on completion of 10 years' continuous service with IAS and an additional 6 ½ weeks' leave on completion of each additional 5 years' of employment.

Pro-rata long service leave may be taken after 5 years' service. Such pro-rata long service leave will not be paid if an employee is summarily dismissed.

Continuous service is calculated excluding any periods of unpaid leave.

15. Sick Leave

Sick leave is provided for in clause 23 of the Award. However, notwithstanding clause 23.3.2(a), employees will be entitled to 10 days' sick leave in the first year of employment, and three days' bereavement leave per occasion.

16. Personal Leave

IAS recognises that staff must balance work and family responsibilities. To this end IAS will make available to staff a period of leave that can be accessed at times where there is an imperative for an employee to attend to matters that relate to specific personal circumstances. The amount of personal leave to which an employee is entitled is six days per year. Such leave is not cumulative. It is recognised that such a provision is introduced on the basis that there is a

broad level of trust between the employee and the manager regarding its utilisation. Generally speaking such leave relates to, but is not restricted to:

- caring for an immediate family or household member who is ill and requiring care and support of the employee - carer's leave; or
- the death of a personal friend or relative - bereavement leave.

In respect of this leave an employer may require the employee to provide satisfactory evidence supporting the reason for the leave to the manager designated with the responsibility of authorising such leave.

The provisions of this clause apply to full-time and regular part-time employees, but do not apply to casual employees.

An employee may take unpaid carer's leave by agreement with the employer.

For the purposes of the above, "year" is the financial year 1 July to 30 June pro-rated to new staff in each year.

17. Overtime

All overtime must be approved by the National Manager of IAS prior to being worked.

18. Monthly Phone Hook Up

A monthly phone hook up will be held by the National Manager with Melbourne and interstate IAS staff.

19. Notice of Termination

Notice of termination of employment by either IAS or an employee will be by four weeks' written notice. Employees who are over 45 years of age and have completed at least two years continuous service will receive an additional 1 weeks' notice.

20. Redundancy

In the event of redundancy or retrenchment:

- Every effort will be made to avoid retrenchment through redeployment, retraining, normal staff turnover and the curtailing of external recruitment.
- Retrenchment will not occur until all reasonable alternatives for continuing employment have been explored and no suitable alternative employment is available.
- If an employee's position becomes redundant and alternative employment is accepted, a two-month trial period in the new position will be put in place. Should either the employee or IFS find that the employee is unsuited to the new position, the employee's service will be terminated without loss of entitlement to retrenchment payments, calculated to the date service actually ends.

Upon termination through retrenchment an employee shall be paid:

- eight weeks' salary in lieu of notice, plus
- three weeks' salary for each completed year of service, plus
- a pro-rata payment for each completed month of service in the final year of service.

The minimum sum payable shall be not less than 11 weeks' payment. Employees whose service includes periods of full-time and part-time work will have their retrenchment payments calculated taking these into account.

In addition to the retrenchment payment outlined above, a retrenched employee shall also be paid the following:

- Any accrued annual leave plus annual leave loading and, on a pro rata basis, any annual leave that has accrued in the final year of service. Where less than a full year's leave has accrued, no annual leave loading is payable on the pro-rata leave.
- Each employee with more than three years of service will be paid for untaken long service leave on a pro-rata basis.

Retrenched employees will be provided with an outplacement service at IFS' expense.

21. Study Leave

An employee may apply for or IAS may recommend courses of study to be undertaken by an employee. Such courses must be relevant to an employee's work.

Courses which are recommended include ASFA 100 and any other courses which are IAS believes will be beneficial to an employee's performance.

Fees for training courses approved by the National Manager of IAS will be paid for by IAS, when the employee passes the course. IAS may decide to pay for an employee's fees up front on the condition that the employee will reimburse IAS if they do not pass the course. Employees will also be granted paid leave to attend examinations and may be granted time off to attend lectures. One day's paid leave per subject will also be granted to prepare for the examinations.

Study leave must be approved by the National Manager of IAS at least two weeks' prior to the leave being taken.

22. Dispute Resolution

Any dispute or concern which arises between IAS and an employee will be dealt with according to the following procedure:

- An employee can involve a duly authorised representative of the FSU at any stage of this procedure, where he or she wishes to.
- As soon as practicable after the concern or dispute has arisen, the employee will take the matter up with their immediate supervisor affording them reasonable opportunity to remedy the dispute or concern.
- Where the attempt at settlement has failed, or where the dispute or concern is of such a nature that discussion with a direct supervisor is inappropriate, the employee will take the matter up with the IAS National or General Manager.
- Where the above steps have failed to resolve the matter, or where the employee wishes to, the employee may notify a duly authorised representative of the FSU, who if necessary, will take the matter up directly with the IAS General Manager.
- If the matter is not settled by the parties, it may be submitted by either party to the Australian Industrial Relations Commission. Any determination of the Commission will be accepted by the parties as final.
- Without any prejudice to the above, work will continue as normal while the matter/s in dispute are dealt with in accordance with this procedure.

23. Probationary Period of Employment

Employment with IAS will be subject to a three month period of probationary employment.

24. Consultation About Change

IAS will undertake to notify and consult with staff and the FSU in circumstances where it has been decided to undertake structural changes which will result in major changes to its business operations and which will impact on its staff. Such impacts might take the form of –

- * introduction of technological changes
- * restructuring of organisational arrangements
- * restructuring and transfer of jobs
- * major changes in workforce requirements
- * changes resulting in the potential loss of jobs

This consultative process with staff and the FSU will focus on intended changes and due process to be observed. Discussions will take place as soon as practicable given the nature of the actions required. In the spirit of open communication IAS will provide all relevant information in writing to staff and the FSU.

IAS will consult with staff and the FSU on significant business initiatives or major changes (including changes to Company policy which affect employment conditions) which will have a demonstrable impact on staff.

25. Occupational Health And Safety

IAS is committed to providing a safe and healthy working environment. It will operate within relevant legislation and aims to improve on these minimum standards wherever possible.

As appropriate IAS can call on professional resources for the purpose of:

- * workplace assessments
- * occupational health and safety training
- * rehabilitation programs

All such arrangements will be coordinated by the National Manager.

26. Equity And Workforce Diversity

IAS respects the differences between employees, recognising that each person has individual skills and attributes to bring to their job and that different backgrounds, social and cultural experiences encourage innovation and flexibility within the workforce. As such IAS is

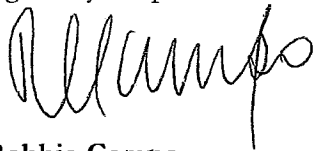
committed to creating an organisational environment that encourages people to strive for personal growth in the pursuit of business goals.

IAS is committed to assisting staff to balance the Company's need for staff commitment with their family commitments and other responsibilities. By recognising the value staff place in balancing their family and work lives, IAS believes it will continue to attract and retain the highest calibre of staff.

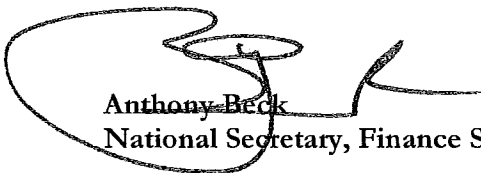
IAS encourages a work environment and practices which supports workforce diversity and embodies the following principles:

- * the creation of a work environment which is free from discrimination;
- * the creation of a work environment which is free from harassment;
- * the selection and promotion of staff based on merit and the promotion of equal opportunity in employment;
- * the acknowledgment that there must be a balance between work and other commitments such as family, as reflected in clauses 11 & 16;
- * opportunities for work related training and development, as reflected in clause 21.

Signed by the parties:



Robbie Campo
General Manager, Industry Administration Services Pty Ltd



Anthony Beck
National Secretary, Finance Sector Union of Australia