# **Chapter 7**

## LABOUR AND THE WORKPLACE

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## **Chapter 7**

## LABOUR AND THE WORKPLACE

Over the last two decades the Tasmanian labour force as well as the conditions under which people are either employed or not employed have undergone significant changes. Whereas in the early 1960s an unemployment rate of three per cent was considered unacceptably high, it is now above eleven per cent. In response governments, both Commonwealth and State, have devised schemes to create additional jobs and training opportunities as well as to alleviate the financial hardship resulting from the loss in income.

Women now comprise a significantly greater proportion of the labour force than at any time since the Second World War. This has been a leading factor in moves against discrimination in employment and working conditions on the basis of sex.

Changes have also occurred in the work environment. Earnings have increased substantially although in many cases hours worked have decreased. The concept of a basic wage has been replaced by that of a total wage incorporating the idea of a minimum wage to be applied equally to males and females doing work of equal value.

Australia's conciliation and arbitration system, established early this century, has resulted in a level of unionism unparalleled anywhere in the Western world. The system of periodic national wage cases that has ensued has reinforced the union as a cornerstone of the Australian system of industrial relations. This has given workers' organisations wide ranging responsibilities and powers in maintaining and regulating working conditions. For example, legislation in Tasmania has given specific and extensive powers to safety representatives elected to monitor workplace conditions and practices.



Women at work.

Photo: Tasphoto Services

## 7.1 THE LABOUR FORCE

In June 1991 there were 217 200 Tasmanians or 61.3 per cent of the State's working age civilian population in the labour force (either working or looking for work) in seasonally adjusted terms.

### 7.1.1 Participation in the Labour Force

Historically, the Tasmanian labour force participation rate has been lower than the national average. Over the last few years however, participation rates in Tasmania have risen more quickly than the national average and the gap has narrowed.

By far the largest movements in participation in Tasmania over the last few years, have been increases among females. In June 1978 males made up 66.8 per cent of the Tasmanian labour force; by June 1991 this proportion had fallen to 58.5 per cent even though the actual numbers of males participating increased. Female participation climbed from a rate of 38.6 per cent in June 1978 to 50.1 per cent by June 1991 with an additional 31 500 females in the labour force.

Between 1981 and 1991 the participation rate for males of all age groups declined. At the early ages, this reflects the higher probability that young people remain in education after the legal leaving age, while at the older end of the

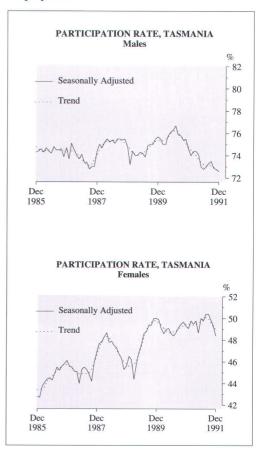
## 7.1 LABOUR FORCE PARTICIPATION RATES, TASMANIA, MALES (%)

	At June	
Age group	1981	1991
15-19	66.2	59.3
20-24	90.9	86.4
25-44	95.9	93.2
45-54	92.3	86.5
55-64	63.9	58.5
65+	11.0	7.3
Total	77.3	72.5

## 7.2 LABOUR FORCE PARTICIPATION RATES, TASMANIA, FEMALES (%)

	At June	
Age group	1981	1991
15-19	60.6	56.9
20-24	62.4	77.9
25-44	48.8	65.9
45-54	49.8	64.2
55-64	18.2	21.3
65+	1.4	1.2
Total	41.0	49.7

age spectrum it reflects continuing trends towards earlier retirement. While these comments are equally applicable to females, female participation rates have risen for all age groups between 20 and 64. This reflects a number of factors including greater social recognition of working females (especially those married with children), the economic requirement for some female partners to work and the opening up of jobs, notably part-time jobs, in the services sectors, an area traditionally dominated by female employment.

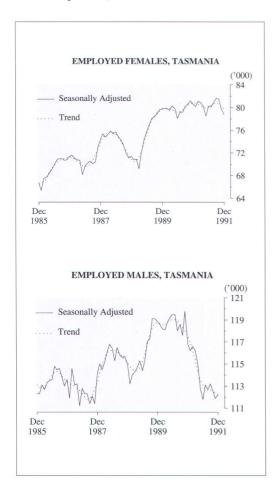


### 7.1.2 Employment

Employment of both males and females in Tasmania increased during the 1980s. In June 1991 there were 191 800 persons employed in Tasmania, in seasonally adjusted terms, up from 183 300 in June 1986.

Employment growth has been dominated by an increase in female employment. Female employment growth was particularly strong during 1989 with an annual growth rate of 11.8 per cent compared with a growth of males employed of 3.3 per cent. Male employment peaked at 119 700 in November 1990 and female employment at 82 200 in September 1991.

However, in the 12 months to December 1991 Tasmanian employment fell by 3.3 per cent (males 4.0 per cent, females 2.4 per cent). The average decrease across Australia during this period was 2.0 per cent (males 2.7 per cent, females 1.0 per cent).



#### **Full-time and Part-time Employment**

Over the last decade, there has been little growth in male full-time employment. There has been growth in part-time male employment although it is still at a very low base. In June 1991 there were 11 500 males employed part time in Tasmania, more than double the numbers measured up to the mid-1980s.

For females, similar patterns emerge, with little long-term growth in females employed full-time but significant growth in part-time female employment. In June 1978 there were about 21 000 part-time females employed in Tasmania. These numbers rose fairly steadily to reach 37 300 in June 1991.

Tasmanian females have the second highest propensity for part-time work of any State in Australia. In June 1991, 46.5 per cent of all females employed in Tasmania worked part-time; for Australia, 41.3 per cent of all employed females worked part-time.

### **Employment Sector**

Tasmania has the highest proportion of any State of its employees in the public sector, 32.0 per cent in February 1991. This proportion has remained relatively stable for the last two years. Of the 46 800 public sector employees in Tasmania in February 1991, 33 800 worked for the State government, 9200 worked for the Commonwealth government and 3800 for local government.

### **Occupational Sector**

The occupational distribution for males and females in Tasmania is quite different. Males are far more likely to be employed as managers and administrators, professionals, tradespersons or plant and machine operators and drivers. The dominant occupational groups for females are clerks, and sales and personal service workers.

#### **Regional Employment Patterns**

As expected, Tasmania's regional employment pattern reflects population distribution throughout the three regions. In June 1991, the Hobart and Southern regions with 93 500, employed 49 per cent of all the State's employed persons, the Northern region 54 100 and the Mersey-Lyell region 43 900.

In the twelve months to June 1991, the number of persons with jobs in the south (Hobart and Southern Statistical Divisions) decreased by 2.6 per cent, while employment loss in the Northern Statistical Division was 0.6 per cent and 5.8 per cent for the Mersey-Lyell Statistical Division.

#### **Industry Distribution**

Data on the industry distribution of Tasmanian employees continues to show the importance of the community services sector. This sector employed 24.5 per cent of all Tasmanian employees in February 1991, down from 25.6 per cent in February 1988. The other large industry sectors were manufacturing (16.9 per cent, the same as three years ago) and wholesale

## 7.3 INDUSTRY EMPLOYMENT DISTRIBUTION, TASMANIA (%)

Industry	February 1988	February 1991
Mining	1.9	1.6
Manufacturing	16.9	16.9
Electricity, gas and		
water, construction	8.4	7.1
Wholesale and retail		
trade	16.4	19.5
Transport and storage	4.5	4.0
Communication	2.1	1.9
Finance, property and		
business services	8.4	9.0
Banking	2.0	2.1
Non-bank finance		
investment and insurance	1.8	2.2
Property and business		
services	4.5	4.7
Public administration and		
defence	5.8	6.4
Community services	25.6	24.5
Health	12.3	11.6
Education, museum and		
library services	9.2	8.8
Welfare and other		
community services	4.1	4.0
Recreation, personal and		
other services	9.4	8.6
Total all industries	100.0	100.0

(Source: ABS Catalogue No. 6248.0).

and retail trade (19.5 per cent up from 16.4 per cent).

The industry distribution differs for males and females. For males, the distribution is more even with the manufacturing sector being the most important with just under one quarter of all employees.

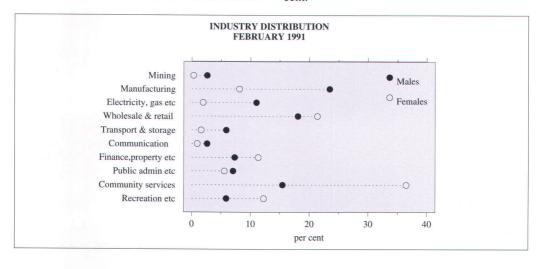
The next most likely employers of males were the community services and wholesale and retail trade sectors. For females, the community services industry dominates, covering nearly 40 per cent of all employed females in Tasmania. The wholesale and retail trade sector is the next most important followed by recreational, personal and other services.

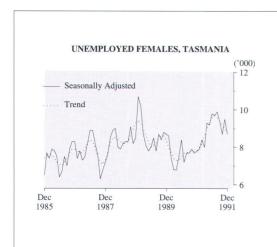
#### **Hours Worked**

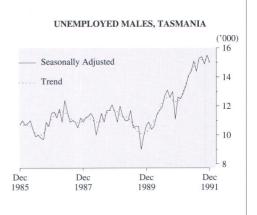
Average weekly hours worked vary considerably each month and are heavily influenced by the incidence of public holidays and, to a lesser extent, school holidays. On average, full-time males work longer hours than full-time females.

Over the last few years, Tasmanians have generally worked less overtime than the national average. In August 1991 the average weekly hours of overtime worked by all employees in Tasmania was 1.00 hour, just lower than the national average of 1.07 hours per week.

The proportion of all employees working overtime in Tasmania is also lower than the national average. In August 1991, 14.6 per cent of all Tasmanian employees worked overtime compared with the national average of 15.7 per cent.







#### Persons Employed at Home

There were 7300 persons employed at home in Tasmania in April 1989, 3.9 per cent of all Tasmanian employed persons. They were people who usually worked more hours at home than elsewhere in their job or business (excluding farmers and their assistants).

Sixty per cent were females and 55 per cent were family members with children under 14 years. A quarter of those employed at home were clerks, 21 per cent were tradespersons and 20 per cent were professionals.

#### **Labour Mobility**

Just over 12 per cent of Tasmanians who had worked at some time during the year to February 1991 had changed their job. This compares with the national average of 14.1 per cent. Tas-

manians aged 20-24 years were the most mobile (29.1 per cent), consistent with the national trend.

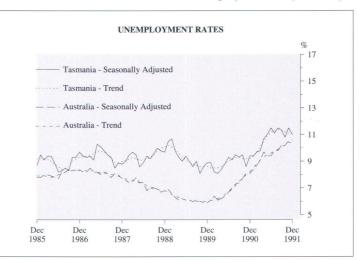
Of the 41 500 Tasmanians who were working in February 1991, and who had been in their current job for less than one year, 22 per cent were in the wholesale and retail trade industries and 16 per cent worked in community services. Twenty three per cent were labourers and related workers and 18 per cent were salespersons and personal service workers.

Seventy-nine per cent of those Tasmanians working in February 1991 had worked for one year or more in their current job. Tasmanians were far more likely than average Australians to have remained in their current job for a long time. Over one quarter of Tasmanians employed in February 1991 had been in their current job for 10 years or more, significantly higher than the 32 per cent for all Australians.

### 7.1.3 Unemployment

Unemployment remains high in Tasmania. In June 1991 there were 25 400 Tasmanians unemployed on a seasonally adjusted basis. This was 56 per cent higher than the number unemployed in June 1986.

In the twelve months to June 1991 the number of Tasmanians unemployed rose by 22.1 per



7.4 AGE DISTRIBUTION OF
<b>UNEMPLOYED, TASMANIA,</b>
JUNE 1991(%)

Age group	Proportion of population (a)	Proportion of unemployed
15-19	10.4	21.2
20-24	9.8	21.2
25-34	20.0	26.4
35-44	19.4	17.4
45-54	13.8	9.5
55+	26.5	4.4
Total	100.0	100.0

(a) 15 years and over.

cent in line with the increase recorded nationally of 40.6 per cent.

There are some interesting patterns emerging from an analysis of changes in regional unemployment during the twelve months ended June 1991. While unemployment increased strongly for all of Tasmania from 19 900 in June 1990 to 24 400 in June 1991, all regions recorded increases: Mersey-Lyell Statistical Division had the bigger increase of 2300 (43 per cent) followed by the Northern Division with 1300 (24 per cent and the Hobart and Southern Division with 800 (9 per cent).

The unemployment rate in Tasmania has consistently remained one of the highest of all States over the last few years. The seasonally adjusted unemployment rate for June 1991 was 11.7 per cent, while the average for all Australia was 9.3 per cent.

#### Youth Unemployment

Unemployment is particularly severe amongst young people. In Tasmania, persons aged 15-24 years comprise 20.2 per cent of the State's civilian population aged 15 and over. However, this age group accounts for 42.4 per cent of all Tasmania's unemployed.

#### **Hidden Unemployment**

As levels of unemployment rose the term 'hidden unemployment' became widely used to describe those who, although failing to satisfy the statistical criteria as unemployed, nevertheless do have some commitment to gain work. The term 'hidden unemployment' is used to refer to people who, while neither employed nor

actively seeking work when surveyed, would seek work if the demand for labour should improve or other considerations would change to allow them to seek work. However, precise measurement is difficult. People wanting to work include a range of potential workers, from genuinely discouraged jobseekers to people with family commitments whose interest in finding employment may be unlikely to be realised.

In September 1990 there were 23 400 people who, although neither working nor officially 'unemployed', nevertheless indicated this kind of marginal attachment to the labour force. Of those marginally attached 90 per cent wanted to work and were available to start work in four weeks but were not actively looking for work, 80 per cent were females, 70 per cent would prefer to work part time.

#### **Job Vacancies**

The tightness of the Tasmanian labour market is clearly seen when the total number of people looking for work is compared with the number of vacancies available with employers. While unemployment has remained above 20 000 in Tasmania over the last few years, the number of job vacancies estimated has been around 1000, a ratio of less than one vacancy for every 20 persons seeking work.

The vacancies have been split fairly evenly between the public and private sectors although over the last year private sector vacancies have increased slightly. Tasmania's job vacancy rate remains below the national average.

## 7.2 EMPLOYMENT, EDUCATION AND TRAINING

The quality of Australia's future workforce skills will depend not only on the basic education and initial preparation provided to young people, but also on the development and continuous upgrading of skills in the adult workforce. Traditional skill requirements have already undergone significant change as a result of the rapid spread of micro-electronic applications in the manufacturing and service industries, and further changes will inevitably occur under the influence of continuous improvements in technology.

Consequently, government is moving on a number of fronts to make education and training systems more attuned to the new requirements for skills demanded by our changed economic circumstances.

#### **Education and the Labour Market**

Participation in the labour force varies according to educational attainment. In February 1991, persons who had obtained post-school qualifications had a participation rate of 80.9 per cent, significantly higher than those with no post-school qualifications (64.1 per cent).

Of persons with a post-school qualification, those with a trade qualification or apprenticeship had the highest participation rate (87.7 per cent) followed by persons with a degree (86.3 per cent) and persons with a certificate or diploma qualification (73.6 per cent).

The overall proportion of males with postschool qualifications was 41.0 per cent, considerably higher than the estimate of 31.3 per cent for females, but both were lower than the Australian rates of 46.2 and 35.4 per cent respectively.

Seventy per cent of the 22 400 estimated unemployed persons in February 1991 had not obtained a post-school qualification. The unemployment rate for those without a tertiary qualification was 13.2 per cent. This compared with an unemployment rate of 6.2 per cent for Tasmanians with a post-school qualification.

#### **Transition from Education to Work**

Of the 25 300 Tasmanians aged 15 to 64 who attended a school at some time in 1990, there were 7500 who had left school by May 1991. Of this number, 31 per cent were attending a tertiary institution, lower than the national average (52 per cent) of school leavers continuing on to tertiary education. Of those not attending a tertiary institution, 3200 were employed while those unemployed comprised 21 per cent.

In 1990, 9600 Tasmanians left full-time education. Of these, 64 per cent were employed in May 1991 and 25 per cent were unemployed. The unemployment rate among leavers was 28 per cent and the labour force participation rate was 89 per cent.

Nearly one-quarter of employed leavers found jobs in the wholesale and retail trade sector, 17 per cent in the community service sector, 16 per cent in recreation, personal and other services and 12 per cent in manufacturing.

Of the 3400 employed persons who had left a tertiary institution, 30 per cent had become managers and administrators or professionals. On the other hand, of the 2700 leavers from schools who were employed in May 1991, 28 per cent were sales persons and personal service workers and 23 per cent were labourers and related workers.

## 7.2.1 The Commonwealth Employment Service

The CES delivers a wide range of programs to assist disadvantaged people to seek and gain employment.

### 7.5 CES STATISTICS, TASMANIA

	1989-90	1990-91
Jobseekers registered	80 910	65 397
Vacancies reported	27 852	21 663
Vacancies filled	22 919	18 814

(Source: DEET Annual Report 1990-91).

#### Newstart

Newstart provides assistance and incentives to long-term unemployed people (18-54 year olds, unemployed for over 12 months) to help them get back into the workforce. Help includes counselling, assessment, placement in other programs and a payment to help with the extra expenses involved in going back to work.

#### **Job Search Training Program (JSTP)**

The JSTP was introduced in recognition of the fact that vocational skills alone are not always the determining factor in obtaining a job; while many jobseekers are capable of undertaking the employment they seek, a sizeable proportion lacks the necessary knowledge of how the labour market actually operates, and the skills to effectively look for and obtain satisfactory employment.

Job search training courses are spread over three to five days and cover aspects such as choosing a job, contacting employers and keeping the job. Job clubs, the other element of the program, offer a much more intensive and comprehensive coverage of job search techniques and practical exercises, such as writing applications and interviewing techniques.

The needs of professionally qualified job seekers are served by Professional Employment Services Offices in the major centres of population and business.

In its attempts to increase employment prospects of job seekers, the CES provides counselling and support services for groups with particular difficulties and needs. These include youth, people with disabilities, Aboriginals and migrants.

## 7.2.2 Commonwealth Government Assistance Schemes

#### SkillShare

SkillShare was introduced in January 1989, integrating the former Community Youth Support Scheme (CYSS), Community Training Program (CTP) and Community Volunteer Program (CVP). Program delivery is through the Commonwealth funding projects sponsored by community organisations or local government authorities. The aim of SkillShare is to assist long-term and other most disadvantaged unemployed people to gain employment, or to move on to further education or training.

Activities include structured skills training with an appropriately balanced combination of job specific skills, job search skills and personal effectiveness skills; open access services including volunteer referral activity, ad hoc job search training, employment related personal support and referral services, general work skills and personal effectiveness training, work related excursions and limited recreational/hobby activities; and enterprise activities through income generating activities and training in small business skills.

Information Technology Centres (ITeC) specialise in providing structured skills training in electronics and computer applications. Services include promotion of information technology applications to the broader community through their open access and encouraging new and existing small business by providing information technology support.

#### **Jobtrain Program**

This program assists disadvantaged job seekers, such as the long-term unemployed, to increase their competitiveness in the local

labour market through the acquisition of marketable skills.

Short-term training up to a maximum 12 months duration is provided through established or specially contracted courses designed to meet local labour market needs. Preparatory training may also be approved to enable participants to undertake skills training.

#### **Jobstart Program**

Jobstart, provides a 20-week wage subsidy to employers who provide jobs to job seekers who have experienced long periods of unemployment or face other disadvantages in obtaining employment.

Assistance is offered to employers if they are prepared to pay at least the award or appropriate wage for the job and fulfill other award conditions.

## Heavy-engineering Adjustment and Development Program

This scheme was introduced to assist with the restructuring and revitalising of the heavy-engineering industry. Assistance is provided to heavy-engineering firms to upgrade and enhance the skills of existing employees, including assistance with the training of specialised trainers and supervisors. This assistance is linked to improvements in work practices and more effective utilisation of existing and new technology.

In addition, a package of formal training, wage subsidy and relocation assistance is provided for workers retrenched from heavy-engineering firms, including eligibility for labour-market-orientated formal training, relocation assistance and eligibility for wage subsidy assistance.

## 7.2.3 State Government Employment and Training Schemes.

This section relates to the activities at the Tasmanian Department of Employment, Industrial Relations and Training (DEIRT) for the year ending 30 June 1990. On 1 August 1990 the State Government formally established four distinct Divisions for the Department. These were: Training; Industrial Relations and Employment Services; Corporate Services; and Adult Education.

The major objectives of DEIRT's Employment and Training Program from July 1989 were as follows:

- To increase the level of employment within Tasmania;
- To ensure the timely supply of an appropriately skilled workforce;
- To provide timely and accurate advice to government on employment and training matters; and
- To ensure that all Tasmanians seeking employment will have an equal opportunity to acquire marketable skills.

#### **Employment Programs**

Programs operated during 1989-90 included: Tasmanian Employment Program; Employment Tasmania and Taswork Local Employment Initiatives.

The Branch was also involved in the NEIST scheme to assist unemployed people into self-employment, and Jobmatch to assist the intellectually disabled into competitive employment. Programs were run throughout the State.

#### Tasmanian Employment Program

This program, which commenced in September 1984, provided a subsidy to employers as an incentive to take on additional staff who had previously been unemployed.

In the life of the program some 2870 new positions were created. The program terminated in 1988 with Employment Tasmania taking its place. Ninety grants were yet to be finalised at 30 June 1990.

#### **Employment Tasmania**

Employment Tasmania retained the best of the TEP program but was a more flexible operation designed to meet the specific needs of employers. The package comprised seven programs which provided incentives for employers to:

- increase their employee levels by taking on a disadvantaged person; and
- become involved with formal training for employees.

The programs were: Build a Business; Jobshare; Tasmania Taswork II; Tasmanian Young Managers; Add an Apprentice; and Traineeships Tasmania.

Some 1027 full-time positions were created for long-term unemployed people and 729 additional apprenticeships were generated in a broad cross-section of Tasmanian industry.

A moratorium was placed on applications in November 1989, but grants contracted before then continued to provide subsidies to assist employers to maintain postitions.

#### Taswork II

The George Town Taswork project closed in December 1989. It was replaced by a Local Employment Initiative. Further Taswork projects were developed in Beaconsfield and Zeehan.

In line with the cessation of the Employment Tasmania program, funding considerations required the cessation of Taswork II by September 1990.

#### Local Employment Initiatives

This program was developed in response to the Tasmanian Employment Summit held in November 1989. It channeled Government effort into creation of an appropriate climate for private sector development of employment opportunities.

#### New Enterprise Incentive Scheme

The New Enterprise Incentive Scheme Tasmania (NEIST) Program was a joint State/Commonwealth Program which invited applications from people registered as unemployed, were drawing Social Security benefit and who had a good business idea to develop into a viable business.

It offered a seven-week business skills course, during which time applicants were provided with a full-time training allowance. Applicants prepared a business plan which was submitted for loan funding.

If a loan was approved the Commonwealth provided income support for the first year of business operation.

#### **Jobmatch**

Jobmatch Inc. was a non-profit incorporated body which strove to place people with disabilities in open employment. At 30 July 1990 over 160 people were registered with Jobmatch of whom 30 were placed in open employment and monitored regularly.

7.6 APPRENTICES, TASMANIA, 1990-91

Trade group	Commence- ments	Comple- tions	Apprentices in training at 30 June 1991
Metal	216	232	1142
Electrical	87	111	470
Building	160	192	842
Printing	18	25	91
Vehicle	92	104	485
Food	156	96	514
Other	248	195	892
Total	977	955	4436
Females	198	118	605
Males	779	837	3831

(Source: Training Authority of Tasmania, Annual Report 1990-91).

#### **Training Programs**

The Training Branch serviced the Training Authority of Tasmania and developed policies and programs for implementation by the Authority. It was responsible for administering vocational training programs in line with Authority policies.

The Department played an important and active role with employers, educationists and young people in the administration of the apprenticeship system and the growing Australian Traineeship System.

#### Apprenticeship

The apprenticeship system has provided workforce skills for many years and it continues to be the most important vocational training system within the State.

The industry restructuring process has placed even greater emphasis on apprenticeship training and has identified the need to adopt competency based standards. As part of this procedure, training in each trade or occupation will be reviewed to accord more closely with industry requirements.

Career-path developments are creating an environment where post-trade or advanced training is becoming more universally required. Apprenticeships must link into and provide a sound base for these levels of training.

The initial review and upgrading of apprenticeship and post-trade training must complement, and therefore follow, the industry

restructuring process. This review may take up to ten years to complete and developments must ensure that once upgraded, the apprenticeship is constantly reviewed and improved to keep pace with technological and social change.

The number of people training under the apprenticeship system continued to increase during 1989-90 to the highest levels ever.

#### **Traineeships**

The aim of the Australian Traineeship System is to provide an effective form of vocational training for those who wish to enter the workforce. It complements the apprenticeship system and provides links to further education in the TAFE and higher education systems.

The program is jointly funded by the State and Commonwealth governments and is administered in Tasmanian by the Division of Employment and Training.

#### 7.7 TRAINEESHIPS TASMANIA, 1990-91

Traineeship	Number of trainees commenced	Number of trainees completed
Office skills	274	114
Concrete worker	11	6
Hospitality	76	20
Insurance	14	7
Local government,		
maintenance & construction	n 25	14
Furniture removalist	4	1
Freight forwarding	8	4
Textile		
Telecom		<u> </u>
Rural	104	35
Retail sales	267	88
Silviculture	16	7
Plant operations	6	5
Banking	45	30
Mining, ore, milling	13	11
Forestry (tree harvesting)	8	
Pulp & paper processing	15	9
Credit union/Building society	1	·
Food processing	7	
Seafood processing	9	
Warehousing	11	4
Total	914	355

(Source: Training Authority of Tasmania, Annual Report 1990-91)

In a typical traineeship, a young person is employed for a period of one year which includes 13 weeks full-time off-the-job training spread throughout the year.

The remainder of the year involves workplace training to ensure competence is gained in specific skill areas relevant to the position. After successfully completing the year, the trainee gains a certificate which provides accreditation throughout Australia and which, in many cases, links into higher level training and education courses.

#### Competency Based Training

Following the decision by the Training Authority of Tasmania to convert existing trades to a competency based system of training and assessment the Training Development Unit (TDU) was established in June 1989.

A pilot jointly funded by Commonwealth and State governments involved the development of seven trades (six Automotive and one Textile) under the Vocational Training and Assessment System (VTAS) guidelines.

#### Women in Trades

DEIRT piloted the Women in Trades program in August 1989. The program was devised to promote the increased participation of eligible women in the trades presently dominated by men through job search guidance and preparation, pre-arranged employer commitment and direct placement assistance.

# 7.3 THE WORKING ENVIRONMENT

#### 7.3.1 Earnings

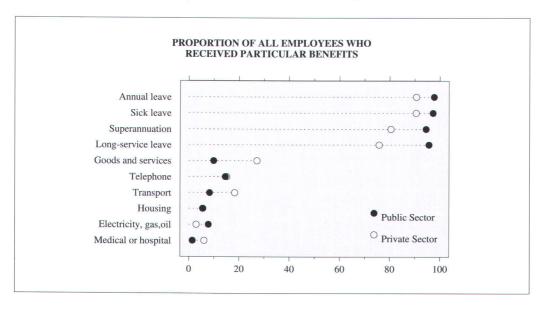
For much of 1988 and early 1989 real wages in Tasmania rose — that is, the annual increase in average weekly earnings for full-time adults in Tasmania was higher than the annual growth in the Hobart Consumer Price Index (CPI).

This period followed nearly three years when real earnings fell. Since the end of 1989, the annual movement in the CPI has increased by more than the annual change in average weekly earnings.

In May 1991, the average weekly earnings for full-time Tasmanian males was \$593.50, while for females it was \$484.50, both lower than the national average of \$632.70 for males and \$512.40 for females.

For the year to May 1991, average weekly earnings for all Tasmanian male employees rose by 1.0 per cent (1.7 per cent for full-time adult males); those for all female employees rose by 5.5 per cent over the year (4.8 per cent for full-time adult females).

These increases were generally less than the national averages.



### 7.3.2 Employment Benefits

While the propensity for males and females working full-time or part-time to receive benefits were similar, the fact that a much higher proportion of females worked part time meant that 82.3 per cent of female employees received a benefit compared with 93.6 per cent of males in August 1990.

The most common benefits received were leave provisions: 77.3 per cent of all Tasmanian employees received annual leave, 77.3 per cent sick leave and 68.2 per cent received long service leave. A superannuation benefit was received by 58.9 per cent of Tasmanian employees, slightly higher than the national average (51.6 per cent).

Employees in the public sector were more likely to receive an employment benefit than their counterparts in the private sector (94.7 per cent and 86.3 per cent respectively). They were more likely to receive sick leave (89.7 per cent versus 71.6 per cent), annual leave (88.6 per cent versus 72.2 per cent), long-service leave (88.2 per cent versus 59.2 per cent) and superannuation (73.0 per cent versus 52.6 per cent). On the other hand Tasmanian private sector employees were more likely to receive benefits such as goods and services, housing, transport and assistance with medical and hospital expenses and union dues.

There was some variation in benefits received across the various industry sectors. At least one benefit was received by all employees in the electricity, gas and water industry, while 98.0 per cent of employees in the mining and 91.4

per cent of employees in the communication industries received benefits.

For the recreational, personal and other services sector, however, only 68.4 per cent of employees received a benefit, although it should be remembered that a large proportion of employees in this sector work on a part-time or casual basis.

For some types of benefits, receipt of the benefit was predominantly associated with employees in a particular industry. Of the 2.4 per cent of all employees who received low-interest finance as a benefit, 66.9 per cent worked in the finance, property and business services sector. Nearly 32 per cent of all those who received a housing benefit were employed in the agriculture or mining sectors, while 51.1 per cent of those who received shares, rights or options as an employment benefit worked in the manufacturing sector.

### 7.3.3 Major Labour Costs

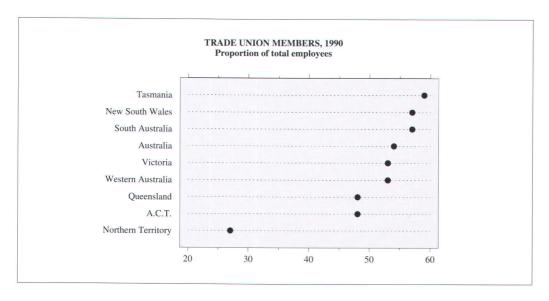
Tasmanian employers were estimated to have spent \$4003 million on labour costs during the year ended 30 June 1990. Estimated expenditures in Tasmania on labour cost items included in the survey were: employee earnings (\$3639 million); andother labour costs (\$364 million) were made up of payroll tax (\$126 million), superannuation (\$168 million), workers compensation (\$56 million), and fringe benefits tax (\$14 million).

The average cost of employing labour in Tasmania in 1989-90 (\$25 975 per employee) was well below the national average of \$27 777.

In Tasmania the average cost per employee for private sector employers was \$24 548 compared with \$28 999 for public sector employers.

### 7.3.4 Wage Fixing

In Australia two sets of authorities regulate wages and salaries: the Australian Industrial Relations Commission (AIRC) with federal jurisdiction; and various State tribunals; (in Tasmania, the Tasmanian Industrial Commission). In Tasmania approximately 35 per cent of employees are covered by federal awards and about 51 per cent by State awards.



Over the twelve months to June 1991, the weekly award rates of pay indexes rose by 1.9 per cent for Tasmanian adult males and by 2.4 per cent for Tasmanian adult females, similar to the national average.

During the twelve months to June 1991, for full-time adult males in Tasmania, the largest annual increases occurred in the manufacturing industry (3.2 per cent) and the mining sector (4.0 per cent), while the smallest pay rises (0.4 per cent) were received by male employees in the finance, property and business services sector. For females the largest increase was recorded in the wholesale and retail trade industry (4.1 per cent). The lowest increase was the 0.3 per cent rise for employees in the finance, property and business services sector

#### 7.3.5 Trade Unions

Tasmania has the highest rate of trade union membership of any Australian State.

At the end of June 1990 there were 121 separate unions in Tasmania, accounting for a total membership of 95 700 (62 400 males and 33 000 females). Tasmania's union membership increased by 1.4 per cent in 12 months.

Tasmania maintained the highest proportion of trade union members to total employees for both males and females; 68 per cent of all male employees and 48 per cent of females were trade union members. Nationally, 62 per cent of male employees and 43 per cent of females were trade union members.

#### 7.3.6 Industrial Disputes

The current level of industrial disputation in Tasmania is relatively low compared both with the recent past and with the experience in other States. For the twelve months to December 1990, 10 700 working days were lost due to industrial disputes in Tasmania. This followed 1989 and 1988 when 10 200 and 18 600 working days were lost respectively and compares with the early 1980s when 50 000 to 60 000 days were lost each year.

The level of industrial disputation reached a record low in April 1991. For the twelve months ended April 1991 there were 47 working days lost per thousand employees in Tasmania, the lowest of any State, and the lowest in Tasmania since this statistic was first introduced on a monthly basis in December 1981.



Striking workers at APPM's Burnie plant, June 1992.

Photo: The Mercury

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