

THE AUSTRALASIAN MEAT INDUSTRY EMPLOYEES' UNION

(Federal Council)



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COLES MEMBERS FEBRUARY 2019

Dear member,

The ongoing negotiations for the Coles national agreement continue on but we appear to be getting to the home stretch now and we want to provide an update on where things are at.

In creating one agreement from 6, we needed to firstly agree on a format both between ourselves and with Coles. To facilitate this, the Federal Office took the unusual step of drafting an entire agreement from scratch that incorporated all of the key provisions of the 6 agreements to use as our log of claims.

In an equally unusual step, Coles then agreed that they liked the format of our draft and so we have been working with that as the working agreement document.

The first thing that will be noticed is that the final version will be, when finished, much smaller than previous agreements, much less wordy, much easier to read, and relies on simple tables to set out wages, allowances, roster principals and so on, rather than the exhaustive dialogue and text contained in the current agreements. Currently the entire agreement is 21 pages including the covers but may expand a little before finished.

The national agreement will see the reintroduction of penalty rates applying prior to 7 am, after 6 pm, and on weekends. If you want to work prior to 7 am it will be at a 50% penalty until 7 am. A 25% penalty will apply to all hours after 6 pm and on Saturdays.

Sundays is an issue because the award is currently moving towards a penalty rate of 50% and Coles want the same. The ALP has committed to restoring Sunday penalty rates to 100% if they win at the next election and so the deal as it stands is that the agreement will mirror the Sunday penalty rates in the award, meaning that when they go back up it will be passed onto you.

In terms of wages, we are currently at a position where we will likely agree to the Victorian base rates applying universally, along with a 5.5% increase on top of that.

There is also a tax free sign on bonus proposed of \$1,000 for a full time worker, \$700 for a part time worker, and \$400 for any casuals.

There will also be a further increase in July of 2020 and then the agreement reaches its nominal end in April 2021.

The proposed 2021 increase will be at the very least whatever the award stream provides (the last 2 were 3.3% and 3.5%) but we are arguing for a fixed amount so that people know exactly what it is in advance.

There will be some phasing in of penalty rates and wages, but it is nothing like the complicated store exercise in the Coles supermarket agreement and will be a much simpler two stage process over a period of 12 months.

Areas still outstanding for discussion revolve around public holidays (butchers' picnic, non-working day benefits, and payment for work on holidays) and savings clauses.

We will of course provide a full summary once we are a little closer so that everyone knows exactly what they are voting on, but I can quite honestly say that whilst there are some existing conditions that may reduce, there are others that will increase, with Saturday penalty rates standing to boost pay significantly. An 8 hour shift on a Saturday in states where none currently apply means a boost of around \$55 per week to a butcher on its own.

Current Saturday penalty rates to full time employees in Victoria are higher than the proposed 25% penalty and we are trying to preserve those as best as possible.

We are currently setting up a couple more meetings, but we do think that we are at the pointy end of negotiations now and will hopefully be in a position to provide a detailed explanation of the terms of the agreement not too far down the track.

Yours in Unity,

GRAHAM SMITH
FEDERAL SECRETARY