

**From:** Nathan Keats [mailto:Nathan@mcnally.com.au]  
**Sent:** Monday, 17 October 2016 9:39 AM  
**To:** AMOD; 'Nathan Niven' (nniven@aimpe.asn.au); members@awu.net.au  
**Cc:** Chambers - Ross J  
**Subject:** RE: AM2014/223 – Dredging Industry Award 2010

Dear Associate

We refer to the email from AMOD sent 7 October 2016.

The Maritime Union of Australia (**MUA**) maintains that the appropriate definition of **aggregate rate** is the one it proposed in its 14 April 2016 submission. In Print F8045 the Full Bench only provided an explanation of the aggregate wage. In so doing they used the word “includes” that left open as to whether other matters were incorporated into the aggregate rate. In contrast the definition proposed in the MUA’s 14 April 2016 submission is sourced from award terms and it is clear (see clause 3 of Part C of the AP787991 - Maritime Industry Dredging Award 1998/clause 3.1.2 of Part C of the AP787991 - Maritime Industry Dredging Award 1998).

The “MUA methodology” as contained in the attached spreadsheet is correct. We submit that the “MUA methodology” should be used to adjust the modern award rates.

**Nathan Keats** BSc LLB Acc. Spec. (Employment & Industrial)  
Principal  
**W G McNALLY JONES STAFF**

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**From:** AMOD [mailto:AMOD@fwc.gov.au]  
**Sent:** Friday, 7 October 2016 1:44 PM  
**To:** 'Nathan Niven' (nniven@aimpe.asn.au) ; members@awu.net.au; Nathan Keats  
**Cc:** Chambers - Ross J  
**Subject:** AM2014/223 – Dredging Industry Award 2010

Dear parties,

**[AM2014/223](#) – Dredging Industry Award 2010**

Further to the conference before Justice Ross on 4 August 2016 (see [transcript](#) at PN135–138) and in relation to item 12 of the [revised summary of submissions](#) published 24 June 2016, the attached Full Bench Decision issued on 3 April 1985 (Print F8045) provides a definition of aggregate wage as follows:

*‘The aggregate wage includes payment for 7 days a week at ordinary time and for overtime Monday to Friday based on the current standard working week of 40 hours.’*

In their [submission](#) of 14 April 2016, at paragraph 5, the MUA proposed an alternative to the above definition as follows:

*‘Aggregate rate means the minimum rate that has been fixed on the basis that, except where otherwise provided in the award, it takes account of all aspects and conditions of employment both general and particular and incorporates the dredging industry allowance.’*

In addition to the inclusion of a definition, the exposure draft asked parties to make submissions on how the aggregate wage is calculated. In their 2009 submissions (attached), the MUA outlined how these rates were originally calculated in the pre-reform award when they were introduced in 1985. Since their introduction the relationship between the minimum and aggregate rates has been altered due to the application of flat dollar wage increases by the AIRC. Accordingly the rates in the modern award may not accurately reflect the intended ratio between the minimum rates for employees on other than a fully operation vessel (in clause 14.2) and the aggregate rates in clause 14.3. The calculations in the attached spreadsheet notionally apply the 'MUA methodology' to the current minimum award rates to calculate the aggregate rates. Parties are asked to confirm if the MUA's methodology is correct and if so, is it proposed that the modern award rates be adjusted accordingly.

Regards,

**MIRIAM HENRY**

Member Support Research Team

**Fair Work Commission**

Tel: +61 3 8656 4731

[amod@fwc.gov.au](mailto:amod@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

[www.fwc.gov.au](http://www.fwc.gov.au)