

**IN THE FAIR WORK COMMISSION
4 YEARLY REVIEW OF MODERN AWARDS
AWARD STAGE – GROUPS 3 AND 4**

Matter Nos: AM2014/281 (*Professional Employees Award 2010*)
AM2015/6 (Education Group)

Applicants: The Association of Australian Medical Research Institutes (**AAMRI**) and
the Association for Professional Engineers, Scientists and Managers,
Australia (**APESMA**)

**FINAL SUBMISSIONS IN SUPPORT
THE ASSOCIATION OF AUSTRALIAN MEDICAL RESEARCH INSTITUTES
AND
THE ASSOCIATION FOR PROFESSIONAL ENGINEERS, SCIENTISTS AND MANAGERS
AUSTRALIA**

INTRODUCTION	1
SUMMARY	2
Status quo	2
Proposed variations	3
Evidence in these proceedings	4
Modern awards objective	5
SUBMISSIONS IN SUPPORT	5
Most research employees in independent MRIs are covered by the PEA	5
Extension of PEA coverage meets the modern awards objective	9
Additional stream and revised classifications are appropriate	12

INTRODUCTION

1. AAMRI and APESMA make the following submissions in accordance with the directions made on 12 January 2017 (**Final Directions**).

2. AAMRI and APESMA make these submissions in support of the variations to the *Professional Employees Award 2010 (PEA)* proposed in their application of 16 October 2015 (**AAMRI & APESMA Application**). The final form of these proposed variations is set out in Attachment 2 to the correspondence lodged with the Commission on 4 July 2015.
3. In these proceedings, AAMRI and APESMA have also opposed the applications made by the NTEU (**NTEU Applications**) to vary the *Higher Education—Academic Staff—Award 2010 (Academic Award)* and the *Higher Education Industry—General Staff—Award 2010 (General Staff Award)* (collectively, the **Higher Education Awards**). In accordance with the Final Directions, AAMRI and APESMA will respond to the NTEU Applications in their Response Submissions to be filed on or before 3 March 2017 (**Response Submissions**).

SUMMARY

Status quo

4. The PEA covers most employees performing professional research duties (**research employees**) at independent medical research institutes (**independent MRIs**). It does this on the basis that most research employees at independent MRIs meet the definition of professional scientists.
5. The PEA does not cover the small minority of research employees at independent medical research institutes who either:
 - (a) hold a degree in science, but not from an Australian, UK or NZ university; or
 - (b) hold a degree not in science but in a medical or health related discipline.
6. Deputy President Smith found, in the transitional review of the Higher Education Awards, commencing in 2012 (**Transitional Review**), that the PEA's coverage of independent MRI employees in research was "awkward".¹
7. More recently, the Federal Circuit Court in *Fair Work Ombudsman v Priority Matters Pty Ltd (Priority Matters)* has determined that the work of a research employee in a

¹ *National Tertiary Education Industry Union* [2013] FWC 7947 (**Transitional Review Decision**) at [35].

commercial scientific organisation was covered the PEA based on that employee's PhD qualification in a field of science.²

8. Other employees of medical research institutes are adequately covered by various occupational awards.
9. Contrary to the oral submissions of Mr McAlpine of the NTEU,³ AAMRI and APESMA support the status quo of the existing award coverage. AAMRI and APESMA maintain that it is appropriate that the modern awards that cover employees at independent MRIs continue to do so.
10. AAMRI and APESMA accept that they bear the onus of demonstrating that the increased coverage proposed by the AAMRI & APESMA Application is necessary to meet the modern awards objective. However, the NTEU bears the onus for entirely displacing the coverage of multiple modern awards. Accordingly, AAMRI and APESMA's defence of the status quo in this regard will be made in their Response Submissions.

Proposed variations

11. The AAMRI & APESMA Application does not seek to significantly displace the existing coverage of modern awards. The Application simply seeks to:
 - (a) make the existing coverage of the PEA clearer and easier to understand; and
 - (b) extend the coverage of the PEA to those research employees who are not currently covered.
12. The variations proposed by the AAMRI & APESMA Application achieve these aims by:
 - (a) creating a separate stream of coverage to cover "medical research employees";
 - (b) defining "medical research employees" so as to cover:
 - (i) those research employees who are currently covered as "professional scientists";

² *Fair Work Ombudsman v Priority Matters Pty Ltd* [2016] FCCA 1474 at [214]-[215].

³ Transcript of 19 October 2016 at PN6976.

- (ii) those research employees who are not currently covered by the PEA because their degree is not from an Australian, UK or NZ university; and
 - (iii) those research employees who are not currently covered by the PEA because their degree is not in science but medical or health related discipline; and
- (c) inserting new classification definitions that more clearly set out the descriptors of a medical research employee at Levels 1 to 4 of the PEA.
13. The AAMRI & APESMA Application also proposes to insert a new Level 5 classification and corresponding pay rate to ensure appropriate recognition of the work value of more senior medical research employees.

Evidence in these proceedings

14. The evidence given by AAMRI and APESMA's witnesses in these proceedings demonstrated that:
- (a) 87.9% of research staff at independent MRIs are scientists whose roles require a degree in science. These comprise:
 - (i) 70.1% of those who hold a degree in science from an Australian, UK or NZ university; and
 - (ii) 17.8% who possess a degree in science from another jurisdiction.⁴
 - (b) the work of all scientists at independent MRIs is the same as or similar to the work of other scientists covered by the PEA;⁵
 - (c) those medical researchers at independent MRIs who do not hold degrees in science:
 - (i) hold degrees in medical or health related disciplines that would be covered by the PEA as varied by the AAMRI & APESMA Application;⁶ and

⁴ Witness Statement of Douglas Hilton (11 March 2016) at [56].

⁵ Witness Statement of Douglas Hilton (11 March 2016) at [41] and [44]-[45]; Witness Statement of Ross Smith at [5]; Transcript of 20 October 2016 at PN8037; Transcript of 1 December 2016 at PN9947.

- (ii) perform work of a similar type and value to the work of scientists at independent MRIs;⁷ and
 - (d) the classification descriptions proposed by the AAMRI & APESMA Application better describe the work of medical research employees.⁸
15. The NTEU did not lead evidence to attempt to contradict the majority of the above propositions. To the limited extent these propositions were challenged in the evidence of Ken McAlpine or in cross-examination, no reason arose to doubt the evidence of the AAMRI and APESMA's witnesses.

Modern awards objective

16. The variations proposed by the AAMRI & APESMA Application will meet the modern awards objective set out in section 134 of the *Fair Work Act 2009 (FW Act)* in that they will:
- (a) ensure equivalent terms and conditions for all medical research employees performing similar work to scientific researchers across Australia (s. 134(1)(e));
 - (b) ensure a simpler and easier to understand modern award system by clarifying the operation of the PEA in respect of medical researchers at independent MRIs (s.134(1)(g)); and
 - (c) ensure a stable modern awards system by retaining the existing modern award coverage with minor variations (s.134(1)(g)).
17. The variations are supported by AAMRI, APESMA and the Australian Industry Group (**AIG**) as achieving the modern awards objective.

SUBMISSIONS IN SUPPORT

Most research employees in independent MRIs are covered by the PEA

18. The PEA covers most research employees at independent MRIs.

⁶ Witness Statement of Debra O'Connor (3 June 2016) at [18].

⁷ Witness Statement of Douglas Hilton (11 March 2016) at [46]-[47]; Transcript of 1 December 2016 at PN9931; Transcript of 1 December 2016 at PN9957.

⁸ Witness Statement of Douglas Hilton (11 March 2016) at [50]; Transcript of 1 December 2016 at PN9895.

19. Approximately 70.1% of research employees at independent MRIs are performing "professional scientific duties" within the meaning of clause 3.4 of the PEA and accordingly are covered by the PEA pursuant to clause 4.
20. The evidence of Douglas Hilton was that AAMRI conducted a survey of independent MRIs. This survey asked independent MRIs:
- (a) how many employees were "research employees", meaning that they performed research duties requiring a tertiary degree; and
 - (b) of those research employees, whether they held a degree in science from an Australian, UK or NZ university, a degree in science from another university, or a degree in another discipline.
21. The results of this survey were that:
- (a) 70.1% of research employees at independent MRIs held degrees in science from an Australian, UK or NZ university;
 - (b) a further 17.8% held a degree in science from another jurisdiction; and
 - (c) 12.1% of medical researchers employed at independent MRIs held another degree which was necessary to perform their research duties.⁹
22. Mr McAlpine for the NTEU suggested in cross-examination that the results of this survey do not provide sufficient guidance as to the percentage of research employees who **require** a degree in science to perform their research duties.¹⁰ No contrary evidence was presented to suggest that those research employees who hold a degree in science do not require it to perform their research duties. Mr McAlpine even conceded that he was "*not suggesting it's not indicative*".¹¹
23. The evidence of Douglas Hilton was that "*the work of all medical researchers requires the application of the critical thinking skills and **knowledge of their subject matter acquired through their degrees***" [emphasis added].¹² The evidence of Christopher

⁹ Witness Statement of Douglas Hilton (11 March 2016) at [56].

¹⁰ Transcript of 20 October 2016 at PN8019.

¹¹ Transcript of 20 October 2016 at PN8085.

¹² Witness Statement of Douglas Hilton (11 March 2016) at [48].

Walton was that the close to 90% of research employees in independent MRIs¹³ who hold a science degree do so because they are doing medical research which is, by its nature, science.¹⁴ The evidence of Brendan Crabb was that it is not common for research employees at independent MRIs to have specialities in fields other than science.¹⁵

24. The evidence of Brendan Crabb in re-examination was that:

*[F]undamental training in the scientific method, but also the philosophy behind that scientific method and why it's widely accepted in society as the best way to generate new knowledge and advancement. So generally that takes the form of a **science degree or a related clinical or agricultural degree that has a significant scientific component. That would be an absolute fundamental building block of a researcher.***¹⁶

25. Further, Attachment N to the Witness Statement of Ken McAlpine demonstrates how most research positions at independent MRIs **require** a degree in science.¹⁷ Of the 20 research employee positions attached to Mr McAlpine's statement, all 20 **required** a degree in one or more sciences, as set out in the table attached to AAMRI and APESMA's Submissions in Reply dated 11 July 2016.

26. The NTEU has submitted that there is some distinction between degrees in science and research degrees,¹⁸ and that research employees require the latter, not the former. In oral submissions, Ken McAlpine for the NTEU seems to have conceded that "*there'll be some employees who have science degrees who are probably covered by [the PEA]*".¹⁹ However, it is not clear to what extent, if any, the NTEU has abandoned this submission.

¹³ Based on the figures referred to in the Statement of Douglas Hilton: 70.1% of scientific employees holding the academic qualifications in the PEA, plus an additional 17.8% holding scientific degrees outside of the listed jurisdictions.

¹⁴ Transcript of 20 October 2016 at PN8089.

¹⁵ Transcript of 1 December 2016 at PN9928.

¹⁶ Transcript of 1 December 2016 at PN9957.

¹⁷ Witness Statement of Ken McAlpine (3 June 2016), Annexure N; *Consolidated NTEU Materials Regarding Research institutes (Consolidated NTEU Materials)*, pp 19-105.

¹⁸ NTEU Submissions in Reply dated 3 June 2016 at [20]; *Consolidated NTEU Materials*, p 11.

¹⁹ Transcript of 19 October 2016 at PN6991.

27. The NTEU appears to fundamentally misunderstand the hierarchy of research as reflected in the proposed classification structure set out in Schedule C – Medical Research Institutes. Research is undertaken at all levels. For instance a Level 1 Graduate professional medical research employee is assisting more senior Professional medical research employees by carrying out tasks requiring accuracy and adherence to established research methods etc. Their work at this level would be closely supervised. This is in contrast to work undertaken at the higher levels.
28. The NTEU's submission assumes that "degree in science" means a Bachelor of Science. AAMRI and APESMA do not concede the suggestion that a Bachelor of Science is somehow irrelevant to scientific medical research, and refer to the evidence of Brendan Crabb quoted above at [24].
29. To the extent that the NTEU submit that higher degrees are not "degrees in science", the Australian Conciliation and Arbitration Commission has found that the term means "*an appropriate qualification to carry out investigation in a field of science*", and that "*the important factor is not, of course, the name of the degree but the field of study leading to the conferring of that degree*".²⁰
30. The Federal Circuit Court in Priority Matters found that the PhD of an employee conducting "*research into new technology*" was "*relevant to his employment in the role of simulation scientists*" and accordingly fell within the criteria in the academic schedule of the PEA. The Court did "*not accept that the award should be construed so as not to cover [the employee] or that the application of the award to [the employee] was somehow invalid*".²¹
31. Attachment N to Mr McAlpine's statement, referred to above, lists 20 research employee positions each of which **requires** that the applicant have studied a degree in a field of science. Each accordingly **requires** a "degree in science".
32. No evidence was led, and it was not put to witnesses in cross-examination by the NTEU, that most research employees at independent MRIs do not require a degree in science.
33. In the circumstances, the Commission can be satisfied that most medical researchers require a degree in science to perform their research duties. The survey evidence of

²⁰ *Re The Association of Professional Scientists of Australia*, Reg 024/84 M Print F7239 at p3(g)-(h).

²¹ *Fair Work Ombudsman v Priority Matters Pty Ltd* [2016] FCCA 1474 at [214]-[215].

Douglas Hilton shows that most of these employees obtained their degree in science from an Australian, UK or NZ university and are accordingly covered by the PEA.

Extension of PEA coverage meets the modern awards objective

The variation will cover all research employees at independent MRIs

34. The AAMRI & APESMA Application proposes a variation to the award to insert a new clause 3.7, "Medical research industry stream".
35. This proposed clause 3.7 follows the general established pattern of the scientific, engineering and information technology professional streams in the PEA. The variation which has the effect of extending coverage of the PEA to employees not currently covered is the definition of academic qualifications required to be a medical research employee, as follows:

Academic qualifications means:

- (a) *a university degree majoring in a medical, science or health related discipline (three, four or five year course) from an Australian, New Zealand, United Kingdom or United States of America university or from an Australian tertiary educational institution;*
 - (b) *a PhD, Research Doctorate or Masters degree majoring in a medical, science or health related discipline*
36. This variation will extend the coverage of the PEA to the minority of research employees at independent MRIs that are not currently covered by the PEA. This is through the extension of the academic qualifications to:
 - (a) degrees majoring in medical and health related disciplines;
 - (b) 3, 4, or 5 year degrees from a United States of America university; and
 - (c) PhD, Research Doctorate or Masters degrees regardless of jurisdiction.
37. The NTEU led no evidence of any research employee who did not have a degree in a health related discipline or who it said would not be covered following the proposed variation. The evidence of Debra O'Connor was that those research employees at the National Ageing Research Institute (**NARI**) were from a range of health related

disciplines.²² Ms O'Connor was challenged on this in cross-examination in relation to a single employee, but Ms O'Connor pointed out that it was the employee's degree in social work (in which the employee performed health related research)²³ that would fall within the proposed extended coverage.²⁴

The PEA should be extended to the minority of employees at independent MRIs who are not currently covered

38. The work of **all** research employees in independent MRIs ought to be covered by the PEA. This is because:
- (a) most research employees in independent MRIs are already covered by the PEA (see submissions above at [18]-[33]);
 - (b) the work of scientific research employees in independent MRIs is the same or similar to the work of other scientists covered by the PEA, regardless of the jurisdiction of their degree;
 - (c) the work of research employees with a degree in a medical or health related discipline is the same or similar to the work of scientists covered by the PEA.
39. The work of scientific researchers in independent MRIs is similar to that of other scientists covered by the PEA. AAMRI and APESMA led evidence of this, including:
- (a) the evidence of Douglas Hilton that the work performed by medical researchers at the Walter and Eliza Hall Institute (**WEHI**) has close parallels with researchers at CSL,²⁵ an ASX listed company;²⁶
 - (b) the evidence of Douglas Hilton that the work of medical researchers is scientific work involving the application of the scientific method;²⁷ and

²² Witness Statement of Debra O'Connor (3 June 2016) at [18].

²³ Exhibit #AN NARI – Researchers.

²⁴ Transcript of 20 October 2016 at PN8185-PN8191.

²⁵ Witness Statement of Douglas Hilton (11 March 2016) at [41].

²⁶ Transcript of 20 October 2016 at PN8037.

²⁷ Witness Statement of Douglas Hilton (11 March 2016) at [44] –[45].

- (c) the evidence of Brendan Crabb that research staff at both pharmaceutical companies such as CSL and independent MRIs, as well as universities and hospitals;²⁸
 - (d) the evidence of Ross Smith that the key element in the work of "science" is the application of the scientific method.²⁹
40. The NTEU did not lead evidence that the work of scientific medical researchers was distinct from the work of other scientists. In fact, their own witness, Mr Trevaks, referred to the fact that collaboration with universities gave the Florey Institute of Neuroscience & Mental Health "*better scientific outputs*"³⁰ and described collaboration "*[i]n the scientific term*".³¹
41. Only Brendan Crabb was challenged on this point in cross-examination, with the proposition that "*[t]here's plenty of areas of scientific work which don't involve research*". Professor Crabb did not accept this distinction and explained that "*generally the broader context of any scientific activity involves research in one way, shape or form*".³²
42. The only evidence before the Commission is that the work of those scientific research employees in independent MRIs (who are already covered by the PEA) is comparable to that of other scientists covered by the PEA.
43. The work of medical researchers who are not currently covered by the PEA is also similar to the work of scientific researchers covered by the PEA. This is so even if they have a scientific degree from another jurisdiction, or a degree in a medical or health related discipline. Evidence of this included:
- (a) the evidence of Douglas Hilton that the work of medical researchers with a science degree from outside of Australia, the UK or NZ, or with non-science degree (such as a research clinician), is utilising the scientific method and not

²⁸ Transcript of 1 December 2016 at PN9947.

²⁹ Witness Statement of Ross Smith at [5].

³⁰ Transcript of 19 October 2016 at PN7669.

³¹ Transcript of 19 October 2016 at PN7717.

³² Transcript of 1 December 2016 a [PN9922].

meaningfully different from the work of medical researchers with a science degree from Australia, UK or NZ;³³

- (b) the evidence of Chris Walton that the minority of medical researchers who do not have a degree in science are "*applied scientists, such as radiographers*";³⁴
- (c) the evidence of Brendan Crabb that the Burnet Institute tries to ensure parity for its traditional scientific researchers and similar clinically trained people who are also public health professionals or international development professionals;³⁵ and
- (d) the evidence of Brendan Crabb that the fundamental training for medical research was a science degree or a related clinical or agricultural degree.³⁶

44. The PEA ought to be amended to extend coverage to those employees with degrees in medical or health related disciplines. The above evidence demonstrates that those research employees in independent MRIs who hold degrees in medical or health related disciplines are performing scientific work or work that is sufficiently similar to scientific work to be covered by the same award. This will help ensure that medical researchers at independent MRIs will receive the same minimum terms and conditions as professional scientists, who perform work of comparable value.

Additional stream and revised classifications are appropriate

The proposed variations make the PEA easier to understand

- 45. The existing classifications in the PEA generally describe the work of research employees in independent MRIs. This was supported by the unchallenged evidence of Douglas Hilton,³⁷ and no evidence was led to contradict this.
- 46. However, the decision of Deputy President Smith in the Transitional Review decision was that "*the awards referred to for those in research [the PEA] would produce an awkward fit.*"

³³ Witness Statement of Douglas Hilton (11 March 2016) at [46]-[47].

³⁴ Transcript of 20 October 2016 at PN8089.

³⁵ Transcript of 1 December 2016 at PN9931.

³⁶ Transcript of 1 December 2016 at PN9957.

³⁷ Witness Statement of Douglas Hilton (11 March 2016) at [49].

47. In order to address this concern of the Deputy President, AAMRI and APESMA have proposed the variations in the AAMRI & APESMA Application to more clearly capture research employees in independent MRIs, and more clearly describe the work they do. These include:
- (a) the "professional medical research employee" stream in the definitions clause of the PEA, to more clearly capture those performing "professional medical research duties"; and
 - (b) the revised classification descriptors in the proposed Schedule C to describe professional medical research employees.
48. The evidence of Douglas Hilton and Brendan Crabb was that the proposed classifications in Schedule C would better describe the work of research employees at independent MRIs.³⁸
49. In the circumstances where the PEA covers most research employees at independent MRIs,³⁹ but that coverage may be considered "awkward", it meets s. 134(1)(g) of the modern awards objective for the Commission to vary the PEA as proposed to make its coverage easier to understand.

Level 5 classification meets the minimum wages objective

50. The AAMRI & APESMA Application proposes to introduce a Level 5 classification to the PEA in respect of its coverage of professional medical research employees. As part of this, it proposes that the Commission set a new minimum wage for Level 5 employees of \$81,920 per annum.
51. Pursuant to s. 284(4) of the FW Act, "**setting modern award minimum wages is the initial setting of one or more modern award minimum wages in a modern award...by a later variation of the award**". In order for the Commission to set the new minimum wage for a new Level 5 classification, it must do so in accordance with the minimum wages objective set out in s. 284(1).

³⁸ Witness Statement of Douglas Hilton (11 March 2016) at [50]; Transcript of 1 December 2016 at PN9895.

³⁹ See above at [18]-[32], and in particular Witness Statement of Douglas Hilton (11 March 2016) at [48]; Transcript of 20 October 2016 at PN8089; Transcript of 1 December 2016 at PN9928 and Priority Matters at [214]-[215].

52. Section 284(1) requires the Commission to "*establish and maintain a safety net of fair minimum wages*", taking into account several factors. The only factor that appears relevant to this rate is "*the principle of equal remuneration for work of equal or comparable value*" (s. 284(1)(d)).
53. AAMRI and APESMA submit that the Commission would achieve a safety net of fair minimum wages by setting the rate of Level 5 employees at \$81,920, taking into account:
- (a) the relative pay rates the Commission has set for Levels 1 to 4; and
 - (b) the additional responsibilities expected of a Level 5 employee.
54. The Commission has set a minimum rate of:
- (a) \$46,764 per annum for an employee at Level 1, Pay point 1.1;
 - (b) \$55,168 per annum for an employee at Level 2;
 - (c) \$60,292 per annum for an employee at Level 3; and
 - (d) \$68,001 per annum for an employee at Level 4.
55. While there is no strict pattern for the increases between levels, AAMRI and APESMA submit that the proposed rate of \$81,920 sits comfortably within this range of minimum modern award rates and reflects the increased expectations of a Level 5 employee.
56. The work falling within the descriptors of the proposed Level 5 involve a more extensive research track record than a Level 4 research employee, as well as significant managerial expectations that are not expected of a Level 4 research employee. These additional expectations include:
- (a) leading a research team or unit within their organisation including determining research strategy and direction;
 - (b) making responsible decisions on all matters in relation to their research team/unit subject only to overall policy and financial controls;
 - (c) holding a major and substantial record of independent original contributions to research and/or its impact on health and community outcomes;

- (d) overseeing research that influences health outcomes, health policy or other health advancements; and
 - (e) directing, supporting and guiding the research efforts of other Professional medical research employees in their research team or unit.
57. In summary the Level 5 Medical Research Employee is someone who is expected to have achieved recognition as an authority nationally or internationally in their area of research expertise and play a leading role within the research community. Further, while the work of Level 4 Medical Research Employee as reflected in the classification descriptor embraces elements of management, strategic direction, research impact and public recognition and standing the work of a Level 5 Medical Research Employee is clearly at a significantly higher level.
58. Accordingly, in order to establish a safety net of fair minimum wages, and based on the significant managerial and research expectations over and above a Level 4 employee, AAMRI and APESMA submit that it is appropriate for the Commission to set a rate of \$81,920 per annum for Experienced medical research employees – Level 5.
59. It has been suggested in these proceedings that this element of the AAMRI & APESMA Application amounts to a variation of a modern award minimum wage, and therefore must be justified by work value reasons pursuant to s. 156(3).⁴⁰
60. AAMRI & APESMA submit that the FW Act clearly intends to differentiate between varying the rates of pay that correspond to existing modern award classifications, and setting new rates of pay for new classifications.⁴¹ Paragraph 607 of the Explanatory Memorandum to the Fair Work Bill 2008 (**FW EM**), makes this clear by providing that the limitation in s. 156(3) "*does not apply to setting new rates (e.g., **including new classifications** and associated minimum wage arrangements for junior employees).*"
61. In the alternative, if the Commission were to accept the NTEU's submission that the setting of minimum rates for the new Level 5 classification involves an indirect variation,⁴² that alleged variation is from the minimum rate of Level 4 employees to

⁴⁰ Transcript of 19 July 2016 at PN7030.

⁴¹ FW EM at paragraph 1145.

⁴² Of the type considered in *4 yearly review of modern awards – Pastoral Award 2010* [2015] FWCFB 8810 at [45].

the proposed rate of Level 5 employees – ie, from \$68,001 to \$81,920. To the extent work value reasons are required, they must be directed at varying the rate from \$68,001 to \$81,920.

62. Section 156(4) defines work value reasons as reasons relating to the following:
 - (a) the nature of the work;
 - (b) the level of skill or responsibility involved in doing the work; and
 - (c) the conditions under which the work is done.

63. To the extent that there is a variation, it is justified by work value reasons. AAMRI and APESMA submit that the work of research employees contemplated by the proposed Level 5 classification is:
 - (a) both research and research management in nature, when compared with the more strictly research focus of the Level 4 classification; and
 - (b) has a significantly higher level of skill and responsibility than employees at the Level 4 classification.

64. Accordingly, the nature of the work and the level of skill or responsibility involved in doing the work would justify the purported variation of the minimum wage for such employees from \$68,001 to \$81,920.

3 February 2017

Association of Australian Medical Research Institutes

Association for Professional Engineers, Scientists and Managers, Australia