

# DRAFT DETERMINATION

Fair Work Act 2009 s.285—Annual wage review

**Annual Wage Review 2019–20** (C2020/1)

# **SECURITY SERVICES INDUSTRY AWARD 2020**

[MA000016]

Security services

JUSTICE ROSS, PRESIDENT VICE PRESIDENT CATANZARITI DEPUTY PRESIDENT ASBURY COMMISSIONER HAMPTON MR FERGUSON PROFESSOR WOODEN MS LABINE-ROMAIN

MELBOURNE, XX JUNE 2020

Annual Wage Review 2019–20.

- A. Further to the decision issued by the majority of the Expert Panel in the Annual Wage Review 2019–20 on 19 June 2020 [[2020] FWCFB 3500], the above award is varied as follows:
- 1. By deleting the example appearing in clause 14.4(d) and inserting the following:

# Calculating pay for a break of less than 8 consecutive hours

George is a full-time Level 1 employee. He is paid the minimum hourly rate of \$22.28.

George is rostered on to work from 10.00 am - 6.00 pm on Tuesday and from 7.00 am - 4.00 pm on Wednesday. On Tuesday, George is directed to work until midnight.

If George starts work at his rostered time of 7.00 am on Wednesday, he must be paid overtime at **200%** of his minimum hourly rate until he gets a break of at least 8 hours from work. If he works 7.6 hours on Wednesday, he will be paid as follows:

Multiply the minimum hourly rate by the overtime rate and then that rate by the number of overtime hours worked:  $22.28 \times 200\% = 44.56 \times 7.6 = 338.66$ 

George would be paid a total of \$338.66 for Wednesday in this case.

## Calculating pay for a break of 8 or more hours

Alternatively, George may be directed by his employer to start work at 8.00 am on Wednesday (one hour later than his usual 7.00 am start) so he can receive an 8 hour break.

In this case even though George only works 6.6 hours on Wednesday, he must still be paid his minimum hourly rate for 7.6 hours:  $22.28 \times 7.6 = 169.33$ 

George would be paid a total of \$169.33 for Wednesday in this case.

2. By deleting the table appearing in clause 15.1 and inserting the following:

Column 1	Column 2	Column 3 Minimum hourly rate		
<b>Employee Classification</b>	Minimum weekly rate			
	(full-time employee)			
	\$	\$		
Security Officer Level 1	846.80	22.28		
Security Officer Level 2	871.10	22.92		
Security Officer Level 3	885.90	23.31		
Security Officer Level 4	900.70	23.70		
Security Officer Level 5	929.80	24.47		

- 3. By deleting the year "2019" in clause 15.3(b) and inserting "2020".
- 4. By deleting the amounts "\$5.92" and "\$29.43" appearing in clause 17.2(b) and inserting "\$6.02" and "\$29.94" respectively.
- 5. By deleting the amounts "\$2.96" and "\$14.80" appearing in clause 17.3 and inserting "\$3.01" and "\$15.06" respectively.
- 6. By deleting the amount "\$14.11" appearing in clause 17.4 and inserting "\$14.35".
- 7. By deleting the example appearing in clause 17.4 and inserting the following:

Jimmy is a full-time Level 3 employee. His minimum hourly rate is \$23.31.

Jimmy starts work at noon and finishes work at 4.00 pm on Thursday. He is rostered to return to work at 8.00 pm that same day for a period of 3.6 hours. Jimmy will:

- work a total of 4 hours of ordinary time
- work a total of 3.6 hours of ordinary time on night shift
- work a broken shift

## **Step 1: calculating ordinary time pay**

Multiply the minimum hourly rate by the number of ordinary hours worked:  $\$23.31 \times 4 = \$93.24$ .

# Step 2: calculating ordinary time pay on night shift

Multiply the minimum hourly rate by the night shift penalty rate and then that rate by the number of night shift hours worked =  $$23.31 \times 121.7\% = $28.37$   $$28.37 \times 3.6 = $102.13$ 

# **Step 3: calculating total pay**

Add the total hourly rate in Step 1, the total night shift rate in Step 2, and the broken shift allowance = \$93.24 + \$102.13 + \$14.35 = \$209.72

Jimmy would be paid a total of \$209.72 for Thursday in this case.

NOTE: Calculations in this example are based on the rounded hourly rates in Schedule B—Summary of Hourly Rates of Pay.

- 8. By deleting the amount "\$36.74" appearing in clause 17.5(a) and inserting "\$37.38".
- 9. By deleting the amount "\$42.40" appearing in clause 17.5(b) and inserting "\$43.14".
- 10. By deleting the amount "\$55.03" appearing in clause 17.5(c) and inserting "\$55.99".
- 11. By deleting the amount "\$64.95" appearing in clause 17.5(d) and inserting "\$66.09".
- 12. By deleting the amount "\$36.40" appearing in clause 17.6(a) and inserting "\$37.03".
- 13. By deleting the amount "\$1.63" appearing in clause 17.7 and inserting "\$1.66".
- 14. By deleting the example appearing in clause 19.5(c) and inserting the following:

Jimmy is a full-time Level 3 employee. His hourly rate of pay is \$23.31

Jimmy finishes work at 5.00 pm but is requested to return to work at 9.00 pm for a security check. It takes him one hour to secure the premises; however, Jimmy is entitled to 3 hours' pay at overtime rates (as 9.00 pm is outside ordinary hours).

#### Calculating overtime pay

Multiply the minimum hourly rate by the overtime rate (% of minimum hourly rate):

- The first 2 hours of overtime =  $$23.31 \times 150\% = $34.97 \text{ per hour.} $34.97 \times 2 = $69.94$
- Each hour thereafter of overtime =  $$23.31 \times 200\% = $46.62$  per hour.

Add the total for the first 2 hours of overtime and the total amount for each extra hour: \$69.94 + \$46.62 = \$116.56

Jimmy would be paid \$116.56 for the 3 hour call back.

NOTE: Calculations in this example are based on the rounded hourly rates in Schedule B—Summary of Hourly Rates of Pay.

15. By deleting the example appearing in clause 20.3 and inserting the following:

Frank is a casual Level 1 employee. His casual hourly rate of pay is \$27.85 per hour (\$22.28 hourly rate + 25% casual loading).

Casual penalty rates include the casual loading and are a percentage of the minimum hourly rate.

Frank works a 5 hour shift on Friday, Saturday and Sunday, with each shift starting at 6.00 pm. Frank will:

- work a total of 5 hours of ordinary time on night shift
- work a total of 5 hours of ordinary time on a Saturday
- work a total of 5 hours of ordinary time on a Sunday

# Calculating ordinary time pay on night shift

**Step 1:** Multiply the minimum hourly rate by the casual night shift penalty rate:  $$22.28 \times 146.7\% = $32.68$ 

**Step 2:** Multiply the night shift hourly rate by the number of ordinary hours worked on night shift:  $\$32.68 \times 5 = \$163.40$ 

Frank would be paid \$163.40 for his Friday night shift.

#### Calculating ordinary time pay on Saturday

**Step 3:** Multiply the minimum hourly rate of pay by the casual Saturday penalty rate:  $22.28 \times 175\% = 38.99$ 

**Step 4:** Multiply the Saturday hourly rate by the number of ordinary hours worked on Saturday:  $\$38.99 \times 5 = \$194.95$ 

Frank would be paid \$194.95 for his Saturday shift.

## Calculating ordinary time pay on Sunday

**Step 5:** Multiply the minimum hourly rate by the casual Sunday penalty rate:  $22.28 \times 225\% = 50.13$ 

**Step 6:** Multiply the Sunday hourly rate by the number of ordinary hours worked on Sunday:  $$50.13 \times 5 = $250.65$ .

Frank would be paid \$250.65 for his Sunday shift.

# Calculating total pay

**Step 7:** Add the total night shift amount in Step 2, the total Saturday amount rate in Step 4, and the total Sunday work amount in Step 6: \$163.40 + \$194.95 + \$250.65 = \$609.00.

Frank would be paid a total of **\$609.00** for the 3 shifts.

NOTE: Calculations in this example are based on the rounded hourly rates in Schedule B—Summary of Hourly Rates of Pay.

16. By deleting the table appearing in clause B.1 and inserting the following:

	Day	Night	Permanent Night <sup>1</sup>	Saturday	Sunday	Public holiday	
	% of minimum hourly rate						
	100%	121.7%	130%	150%	200%	250%	
	\$	\$	\$	\$	\$	\$	
Security Officer Level 1	22.28	27.11	28.96	33.42	44.56	55.70	
Security Officer Level 2	22.92	27.89	29.80	34.38	45.84	57.30	
Security Officer Level 3	23.31	28.37	30.30	34.97	46.62	58.28	
Security Officer Level 4	23.70	28.84	30.81	35.55	47.40	59.25	
Security Officer Level 5	24.47	29.78	31.81	36.71	48.94	61.18	

17. By deleting the table appearing in clause B.2 and inserting the following:

	Monday to Saturday – first 2 hours	Monday to Saturday – after 2 hours	Sunday – all day	Public holiday – all day		
	% of minimum hourly rate					
	150%	200%	200%	250%		
	\$	\$	\$	\$		
Security Officer Level 1	33.42	44.56	44.56	55.70		
Security Officer Level 2	34.38	45.84	45.84	57.30		
Security Officer Level 3	34.97	46.62	46.62	58.28		
Security Officer Level 4	35.55	47.40	47.40	59.25		
Security Officer Level 5	36.71	48.94	48.94	61.18		

18. By deleting the table appearing in clause B.3 and inserting the following:

	Day	Night	Permanent Night <sup>1</sup>	Saturday	Sunday	Public holiday	
	% of minimum hourly rate						
	125%	146.7%	155%	175%	225%	275%	
	\$	\$	\$	\$	\$	\$	
Security Officer Level 1	27.85	32.68	34.53	38.99	50.13	61.27	
Security Officer Level 2	28.65	33.62	35.53	40.11	51.57	63.03	
Security Officer Level 3	29.14	34.20	36.13	40.79	52.45	64.10	
Security Officer Level 4	29.63	34.77	36.74	41.48	53.33	65.18	
Security Officer Level 5	30.59	35.90	37.93	42.82	55.06	67.29	

- 19. By deleting the amount "\$870.70" appearing in clause C.1.1 and inserting "\$885.90".
- 20. By deleting the table appearing in clause C.1.1 and inserting the following:

Allowance	Clause	% of standard rate	\$	Payable
First aid allowance—per shift	17.2(b)	0.68	6.02	per shift
First aid allowance—maximum per week	17.2(b)	3.38	29.94	per week
Firearm allowance—per shift	17.3	0.34	3.01	per shift
Firearm allowance—maximum per week	17.3	1.7	15.06	per week
Broken shift allowance	17.4	1.62	14.35	per rostered shift
Supervision allowance—1 to 5 employees	17.5(a)	4.22	37.38	per week
Supervision allowance—6 to 10 employees	17.5(b)	4.87	43.14	per week
Supervision allowance—11 to 20 employees	17.5(c)	6.32	55.99	per week
Supervision allowance—over 20 employees	17.5(d)	7.46	66.09	per week

Allowance	Clause	% of standard rate	\$	Payable
Relieving officer allowance	17.6(a)	4.18	37.03	per week
Aviation allowance	17.7	0.187	1.66	per hour

B. This determination comes into operation on 1 November 2020. In accordance with s.286(5) of the *Fair Work Act 2009* this determination does not take effect in relation to a particular employee until the start of the employee's first full pay period that starts on or after 1 November 2020.

# **PRESIDENT**