

**From:** Nick White <nwhite@gordonlegal.com.au>  
**Sent:** Friday, 29 April 2022 1:27 PM  
**To:** Chambers - Ross J <Chambers.Ross.j@fwc.gov.au>; AMOD <AMOD@fwc.gov.au>; Nigel Ward <Nigel.Ward@ablawyers.com.au>; Jordan Lombardelli <jordan.lombardelli@ablawyers.com.au>; Alana Rafter <Alana.Rafter@ablawyers.com.au>; Alex Grayson <AGrayson@mauriceblackburn.com.au>; 'Penny Parker' <PParker@mauriceblackburn.com.au>; Ben Redford <Ben.Redford@unitedworkers.org.au>  
**Cc:** Philip Gardner <pgardner@gordonlegal.com.au>  
**Subject:** AM2020/99, AM2021/63 & AM2021/65 – Work value case – Aged Care Industry

Dear Associate and Parties,

We refer to the report of Associate Professor Meg Smith and Dr Michael Lyons at page 3372 of the Digital Hearing Book.

In accordance with the Hearing Plan, A/Prof Smith is scheduled to give evidence on Monday 2 May.

A/Prof Smith and Dr Lyons have notified us that there are a few corrections to be made to their report. These are tabulated in the document **attached**. Counsel for the ANMF will ask A/Prof Smith to confirm that the report at page 3372 of the Digital Hearing Book is to be read subject to these corrections.

Further, to assist the Commission, A/Prof Smith and Dr Lyons have produced updates to Tables 1 and 2, which appear at pages 4 and 5 of their report, so as to incorporate the most recent ABS data. Those tables are **attached**. Counsel for the ANMF will ask A/Prof Smith to confirm that her report at page 3372 of the Digital Hearing Book is to be read as supplemented by those updated tables.

If you have any queries, please let us know.

Regards

**Nick White**  
Principal Lawyer  
Accredited Specialist (Workplace Relations)



Level 22, 181 William Street  
Melbourne VIC 3000  
**T:** +61 (3) 9603 3035  
**F:** +61 (3) 9603 3050  
**DX:** 39315 Port Melbourne  
**E:** [nwhite@gordonlegal.com.au](mailto:nwhite@gordonlegal.com.au)  
**W:** [www.gordonlegal.com.au](http://www.gordonlegal.com.au)

Please consider the environment before printing this email.

This email and any attachments are confidential and may contain privileged information or protected by copyright. If you are not the intended recipient you must not disclose, print or use this email or any attachments. If you have received this message in error, please notify the sender immediately and delete it from your system.

Gordon Legal does not accept liability for any loss or damage (whether direct, indirect, consequential or economic) however caused, and whether by negligence or otherwise, which may result directly or indirectly from this email or any attachments (including as a result of your failure to scan this email for viruses or as a result of interference or unauthorised access during communication). In any event, our liability is limited to the cost of re-supplying this communication.

**Aged Care Award 2010  
Nurses Award 2010  
Fair Work Commission matters  
AM2020/99, AM2021/63 and AM2021/65  
Table of Amendments  
Report by Associate Professor Meg Smith and Dr Michael Lyons (October 2021)  
School of Business  
Western Sydney University  
April 2022**

<b>Section of report</b>	<b>Original text</b>	<b>Amendment</b>
Table 1 - Column1 - Measure of Earning	Average weekly ordinary time cash earnings (AWOTCE) for full-time non managerial employees paid at the hourly rate	Average weekly ordinary time cash earnings (AWOTCE) for full-time non managerial employees paid at the <u>adult</u> rate
Table 1 - Column1 - Measure of Earning	Average hourly ordinary time cash earnings (AHOTCE) for full-time non managerial employees paid at the hourly rate	Average hourly ordinary time cash earnings (AHOTCE) for full-time non managerial employees paid at the <u>adult</u> rate
Table 1 - Average weekly ordinary time cash earnings (AWOTCE) for full-time non managerial employees paid at the <u>adult</u> rate (as amended) (female \$ value)	\$1480.70	\$ value should read \$1458.60
Table 1 - Average weekly ordinary time cash earnings (AWOTCE) for full-time non managerial employees paid at the <u>adult</u> rate (as amended) (Ratio of female to male earnings)	0.88	0.87
Table 2 – Average weekly ordinary time cash earnings (AWOTCE) for full-time non managerial employees	11.7	13.0
Paragraph 24, line 2	... Australian GPG. (KPMG 2019).	... Australian GPG (KPMG 2019).
Paragraph 28, line 9	... an occupation the was related to ...	... an occupation was related to ...
Paragraph 34, line 2	... explanatory framework for GPG (Milner, ...	... explanatory framework for <u>the</u> GPG (Milner, ...

Paragraph 61, line 5	... and were not skilled ...	... and was not skilled ...
Paragraph 80, line 4	... m on the basis that rates ...	... on the basis that rates ...
Paragraph 84, line 1	... (2020p. 521) identify ...	... (2020 p. 521) identify ...
Paragraph 108, line 4	... and the Nurses Award working residential	...and the Nurses Award working <u>in</u> residential
Paragraph 110, line 1	commission	Commission
Paragraph 141, line 1	In our view the age care ...	In our view the aged care ...
Paragraph 161, line 2	... analyses seeking the explain the GPG ...	... analyses seeking <u>to</u> explain the GPG ...
Paragraph 164, line 2	... reasons to concluded that ...	... reasons to conclude that ...
Paragraph 172, line 3	... and industries. and the ...	... and industries and the ...

**Aged Care Award 2010  
Nurses Award 2010  
Fair Work Commission matters  
AM2020/99, AM2021/63 and AM2021/65  
Updated ABS Data – Tables 1 and 2  
Report by Associate Professor Meg Smith and Dr Michael Lyons (October 2021)  
School of Business  
Western Sydney University  
April 2022**

*Table 1 Measures of pay differentials between females and males from ABS Average Weekly Earnings and Employee Earnings and Hours surveys.*

Measure of earnings	Females (\$)	Males (\$)	Ratio of female to male earnings
<b>Average Weekly Earnings (AWE) survey measure (November 2021) (seasonally adjusted excluding AWOTE)</b>			
Average weekly earnings (AWE) Average weekly total earnings of all employees	1093.80	1577.10	0.69
Average weekly earnings for full-time adults (FTAWE)	1618.00	1934.80	0.84
Average weekly ordinary time earnings (AWOTE) for full-time adults	1591.20	1846.50	0.86
<b>Employee Earnings and Hours Survey measure (May 2021)</b>			
Average weekly ordinary time cash earnings (AWOTCE) for full-time non-managerial employees paid at the adult rate	1617.10	1809.10	0.89
Average hourly ordinary time cash earnings (AHOTCE) for full-time non-managerial employees paid at the adult rate	43.10	47.10	0.92
Average weekly total cash earnings (AWCE) for non-managerial employees	1131.80	1552.40	0.73
Average hourly total cash earnings (AHCE) for non-managerial employees	40.20	44.50	0.90
Average weekly total cash earnings (AWCE) for all full-time non-managerial paid at the adult rate	1639.70	1910.10	0.86
Average hourly total cash earnings (AHCE) for all full-time non-managerial employees paid at the adult rate	43.30	47.50	0.91

*Source: Based on Pointon, Wheatley, and Ellis et al(2012), Layton, Smith and Stewart (2013, p. 80) and updated to include more recent data from ABS Cat. No. 6302.0 (Average Weekly Earnings Survey) (ABS 2022a) and from ABS Cat. No. 6306.0 (Employee Earnings and Hours Survey) (ABS 2022b).*

*Table 2 Differing measures of the gender pay gap.*

Measure	GPG (%)	Main features and limitations
Average weekly earnings (AWE) Average weekly total earnings of all employees	30.6	Includes all weekly earnings for all employees but makes no adjustment that a much larger proportion of women work part-time than men – and are therefore paid for fewer working hours.
Average weekly earnings for full-time adults (FTAWE)	16.4	Includes all weekly earnings for all full-time adult employees but makes no adjustment for the fact that men are more likely to work and be paid overtime than women.
Average weekly ordinary time earnings (AWOTE) for full-time adults	13.8	Excludes overtime earnings. Part-time employees are also excluded, the majority of whom are women in lower paid occupations.
Average weekly ordinary time cash earnings (AWOTCE) for full-time non-managerial adult employees	10.6	Confined to full-time non-managerial employees, thus excluding managerial employees. Based on weekly ordinary time earnings thus excluding overtime.
Average hourly ordinary time cash earnings (AHOTCE) for full-time non-managerial adult employees	8.5	Confined to full-time non-managerial employees, thus excluding managerial employees. Based on hourly earnings.
Average weekly total cash earnings (AWCE) for all non-managerial adult employees	27	Includes all weekly earnings for all non-managerial employees but makes no adjustment that a much larger proportion of women work part-time than men – and are therefore paid for fewer working hours
Average hourly total cash earnings (AHCE) for all non-managerial adult employees	9.7	Includes all weekly earnings for all non-managerial employees. Based on hourly earnings thus takes account, to an extent, of the larger proportion of women work who part-time.
Average weekly total cash earnings (AWCE) for full-time non-managerial adult employees	14.2	Confined to full-time non-managerial employees, thus excluding managerial employees. Based on weekly total earnings thus including overtime.
Average hourly total cash earnings (AHCE) for full-time non-managerial adult employees	8.8	Confined to full-time non-managerial employees, thus excluding managerial employees. Based on weekly total earnings thus including overtime. Based on hourly earnings,

*Source: Based on Pointon, Wheatley and Ellis et al (2012), Layton, Smith and Stewart (2013, p. 80) and updated to include more recent data from ABS Cat. No. 6302.0 (Average Weekly Earnings Survey) (ABS 2022a) and from ABS Cat. No. 6306.0 (Employee Earnings and Hours Survey) (ABS 2022b).*

ABS (2022a), *Average Weekly Earnings, Australia*, November 2021, catalogue number 6302.0. URL: <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/average-weekly-earnings-australia/nov-2021>

ABS (2022b), *Employee Earnings and Hours, Australia*, May 2021, catalogue number 6306.0. URL: <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/employee-earnings-and-hours-australia/may-2021>