

Overview

STC and worker delegates have been meeting since July 2019 to discuss what the next Enterprise Agreement looks like. As part of this we're working together to address the Fair Work Commission's concerns that a 40 hour ordinary week is not allowed under the National Employment Standards (NES). As many of you know, STC made an undertaking in our current agreement to try to resolve this.

STC has had many fruitful meetings with delegates and the MEAA to try to resolve this and there have been many proposals put forward. STC would like to now seek worker feedback on the below proposal.

We've tried hard to balance our legal requirements with worker welfare and we've taken on board the feedback we've received from workers throughout this process. We are very keen to hear your feedback and welcome any questions you have.

What is STC Proposing?

STC currently has two groups of workers in our EA; those that currently work a 38-hour week (Box Office, FOH, and casuals) and those that currently work a 40-hour week (Full-time Production and Technical workers). STC has committed to the existing 38-hour employees that they won't be negatively impacted because of any resolution to the worked 40 paid 38 arrangement. This proposal however does pass on tighter penalties in order to better manage fatigue for all our workers.

We've listed the key entitlements and what's changing for each group below.

What is changing for FOH, Box Office and Casual Workers?

| Box Office, FOH, and Casual Workers | | | Why Is It Changing? |
|-------------------------------------|---|---|---|
| | Current | Proposed | |
| Ordinary Weekly Hours Worked / Paid | 38 hours | 38 hours | No change |
| General Wage Increase | 5.08% over the term of the agreement | | STC has committed to an increase of at least 4.6% over the three years of the agreement. As part of this proposal we are offering 5.08% over three years. |
| Ordinary Daily Hours (FT) | 7.6 (8 for casuals) | 7.6 (8 for casuals) | No change |
| Daily Overtime | After 7.6 hours (8 for casuals) | After 7.6 hours (8 for casuals) | No change |
| Period Overtime | After 38 hours | After 38 hours | No change |
| Annual Leave | 4 weeks for FT | 4 weeks for FT | No change |
| Weeks over 60 hours | TOIL accrues after the 13 th 60 hour week in a year | TOIL accrues after the 10 th 60 hour week in a year | To improve our fatigue management STC proposes to bring forward the trigger for accruing TOIL. STC would like propose that the 11 th and all further 60+ hour weeks would accrue TOIL. |
| Consecutive Days Worked | Double time on the 15 th and subsequent consecutive days | Double time on the 11 th and subsequent consecutive days | STC proposes to reduce the consecutive days required to meet this penalty to 10 days. We're also seeking to broaden the definition of a "day away from work" to be 34 hours. |

* STC has committed to a total increase of at least 4.6% over the life of the agreement to ensure Production and Technical roll-up is walked-off during the term of this agreement.

What is changing for Production and Technical Workers?

STC has heard a lot of feedback from our Technical and Production workers over the last 6-months on what's important to them. As we seek to address the Fair Work Commissioner's undertaking and align our Enterprise Agreement with the (NES). The feedback we've received is that:

- Hourly rates don't go backwards.
- Any rate walk-off be completed in the shortest time possible.
- That STC address workers fatigue concerns.
- Workers maintain their 5 weeks of annual leave.
- Changes to ordinary hours not affect entitlement to a sixth day penalty.

We'd also like to take this opportunity to ensure workers that STC isn't seeking to change the nature, scale or volume of work we produce. We recognise that moving to a 38-hour week doesn't reduce the amount of work we have. We also recognise that workers will frequently still work 40-hour weeks, and this will increase costs to the STC as we'll be paying overtime on the 39th and 40th hours. STC accepts that this is part of moving to an agreement that is compliant with the NES.

Taking these concerns in to consideration STC's proposal guarantees that:

- Hourly rates won't go backwards, employee's will receive the same weekly wage while working two fewer hours. Consequently, overtime will kick in two hours earlier.
- That workers will maintain their 5 week leave entitlement.
- That all Production and Technical workers will be entitled to a sixth day penalty in any week where they work six days.

| Prod & Technical 40 Hour Workers | | | Why Is It Changing? |
|-------------------------------------|---|-------------------------|--|
| | Current | Proposed | |
| Ordinary Weekly Hours Worked / Paid | 40 worked, 38 paid | 38 worked, 38 paid | STC is aligning the definition of ordinary weekly hours with the National Employment Standard (NES). This means moving to a worked 38 paid 38 arrangement. |
| General Wage Increase | Rate walked-off over the life of the agreement. Plus a 0.47% increase in 2022 | | STC has listened to workers' concern that their rate not go backwards. STC has committed to that employees rates won't going backwards while we transition to a 38-hour week. To achieve this the rate will be "walked-off" over the three years of the agreement. |
| Ordinary Daily Hours | 8 | 6 – 10 [†] | To allow for a 38-hour roster, and to better manage fatigue STC is proposing to change the ordinary span of hours to minimum 6 maximum 10 hours in a day. This goes hand-in-hand with changes to the 60hr week and consecutive days worked penalties below. |
| Daily Overtime | After 8 hours | After 6 or 8 hours | Daily overtime will commence after the lesser of, ordinary hours worked in a day 6 or 8 hours. This ensures workers are always better off. |
| Period Overtime | After 40 hours | After 38 hours | Workers will continue to receive period overtime for every hour after their maximum weekly hours. For full-time Production and Technical workers that means period over time after 38 instead of 40 hours. |
| Annual Leave | 5 weeks | 5 weeks | STC listened to Technical and Production workers concern that they not lose their 5 th week of annual leave. STC has committed to keeping 5 weeks of annual leave for those workers transitioning from 40 to 38 ordinary hours. |
| Sixth Day Penalty | Workers who work a sixth day with a performance | Every sixth day worked. | STC recognises concern workers have about the change in span of hours, we've broadened the sixth day penalty as a gesture of goodwill and to recognise that working a sixth day can be unsociable and impact workers personal lives. |

| | | | |
|--------------------------------|---|---|---|
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† In order to provide a spread of hours across a performance week STC is proposing a minimum 6 hour, maximum 10 ordinary hours call. STC has agreed to introduce a 50% penalty on the 9th and 10th "ordinary hour" in addition to daily overtime after 8 hours.

What about the general wage increase?

We have listened, in that workers understand that STC is in a challenging financial position currently. We thank our workers for their ongoing commitment to the shows we produce. STC has also committed to our Production and Technical workers that the transition to a 38 hour week would occur as quickly as possible. As part of this we've committed to the 4.6% rate "walk-off" would be completed during the term of this agreement. In light of this commitment, we have revised the pay increase offer for all workers; for clarity we have separated the "walk off" rate and shown the pay increase for those workers in the 3rd year.

| | | 2020 | 2021 | 2022 | Cumulative Increase |
|--------------------------------|-----------------|-------|-------|-------|---------------------|
| Current 38-hour workers | | 1.50% | 1.50% | 2.00% | 5.08% |
| Current 40-hour workers | Walk-off | 1.50% | 1.50% | 1.53% | 4.60% |
| | Increase | - | - | 0.47% | 0.47% |

This proposal is based on the financial uncertainty we are currently experiencing that will continue in 2020 and 2021. The outlook is we should start to recover financially in 2022. 2020 will be yet another year without shows in the Wharf and then we recommission and launch our first full season back at the wharf in 2021. STC is committed to maintaining our industry leading rates and are confident that this offer will keep us ahead of our peers.

FAQs

I work in the FOH or Box Office. How will these changes affect me?

FOH and Box Office workers will continue under their existing entitlements. The only changes for FOH and Box Office workers will be the general wage increase along with the lower triggers for the 60-hour week and consecutive days worked penalties. These measures will help to manage fatigue better by putting financial incentives for managers to avoid rostering workers for excessively long hours, or not giving workers adequate days off.

Will I get paid less because I'm working fewer hours?

No worker will be paid less for their full-time week. STC has committed that any workers transitioning from 40 to 38 hours will maintain their rolled up 40 hour rate through the transition period. This means a level 5 worker who works a 40-hour week now will receive \$1263.50. After the changes are implemented, that

same worker will work 38 hours and still receive \$1263.50. If they did work 40 hours they'd also receive overtime for the 39th and 40th hour. That would mean a total of \$1448.53, or \$105.99 better off.

I am a FT Production employee. What will my normal week look like under the proposed changes?

A standard full-time week would be 38 hours over 5 days. It's up to each department HOD or Manager to discuss with their teams the best way to manage this. Some teams might prefer a 7.6-hour day; some teams might prefer to go home 2 hours early on a particular day in the week.

I used to get period overtime on a Saturday, how is the sixth day penalty different?

The sixth day penalty is time-and-a-half for the first four hours, double-time thereafter. Previously a Saturday worked after a Monday to Friday week would have been paid at time-and-a-half for 10-hours at which point daily double time would kick in.

Will workshops be rostered over six days now?

Work groups like the workshops and costumiers will still maintain their regular work pattern. Workshops will still be rostered their ordinary hours across five days. There will of course be times when we ask our workshop teams to work a sixth day, as currently occurs. Where this happens, it will be paid as an overtime shift. i.e. a sixth day, or double-time for Sunday.

Am I going to be expected to do the same amount of work (40 hours) in 38 hours?

STC isn't going to change the nature, scope, or scale of work we produce. We recognise that this means workers will frequently still work 40-hour weeks or more, and that this will increase costs to the STC, due to the overtime now being paid on the 39th and 40th hours. STC accepts that this is part of moving to an agreement that is compliant with the NES. During quieter periods workers might be rostered for 38 hours, but the walk-off means they'll get the same pay as they currently do for a 40-hour week.

I'm a seasonal on a show, how does this affect me?

The main change for workers on shows is that they will have a minimum call of 6-hours on single show days. As a trade-off for this the 9th and 10th ordinary hour worked on a day will attract an additional 50% loading on top of the usual daily overtime. These changes are especially important for fatigue management and goes hand in hand with changes to the 60-hour week and consecutive day penalties.

What does a six-hour minimum call mean for me?

A six-hour minimum for full-time workers mean they can be rostered on show calls in a way that better manages fatigue. STC has seen a correlation between long weeks of work and incident rates. We're hoping to address this by increasing penalties to the company for consecutive days worked, and number for 60 hour weeks in a year as well as not requiring worker's on shows to come in early every day to meet the minimum call requirements. There is no change to the full-time weekly wage. In-fact where a worker does a 10-hour ordinary shift as part of their 38-hours in a week STC will pay an additional 50% loading on their rate for the 9th and 10th hour in addition to the usual daily overtime after 8-hours.

So if Billy works a 10-hour Wednesday as part of his show call he would be paid:

- 10-hours of ordinary, plus
- 50% loading for two hours of daily overtime, plus.
- 50% loading for two hours for the 9th and 10th ordinary hours.

This equates to double-time for the 9th and 10th hour. Currently Billy would only get time-and-a-half.

I'm a casual will my hours and pay change?

None of the proposed changes will affect casual entitlements. Casuals will be entitled to the general wage increase along with other current 38-hour workers.

Is it possible to work 38 hours in less than five days?

Yes, it is possible. A worker could work three 10-hour days and one 8-hour day to get to 38 hours in a week. On each 10-hour day STC would pay a 50% loading on the 9th and 10th hour, in addition to the usual daily overtime. Due to this penalty, this is not an effective way for STC to roster a standard week. This situation may occur during a bump-in week where workers might work 12-hour days to begin with (10 ordinary plus 2 additional hours) and might tail off at the end of the week. This means workers are less likely to burnout from long bump-in weeks in the venue.

I'm a Production worker, when will I get a pay increase?

STC committed that rates for workers transitioning from 40 to 38 hours would not go backwards during the transition. That means STC has agreed to pay workers the rolled-up 40-hour rate for a 38-hour week. The cost of this guarantee to STC is approximately \$180,000 in the first year. STC's proposal ensures these workers don't go backwards by walking-off this 4.6% over three years. STC's current proposed general wage increase compounds to 5.08% over three years. Production employees are of course entitled the wage increase over the 4.60% they are walking-off. This equates to 0.47% in 2022. As a result, the pay rates for all 38-hour employees will align.

I have question.

If you have any questions about this proposal, or any concerns or specific situations that you want to talk about please call or email Kate Crisp and we can organise a time to talk through your questions.

You can call Kate on 9250 1721 or email kcrisp@sydneytheatre.com.au. Alternatively, Kate will be visiting departments to take questions over the next week.

We also encourage you to talk to your union delegates if you have any questions.