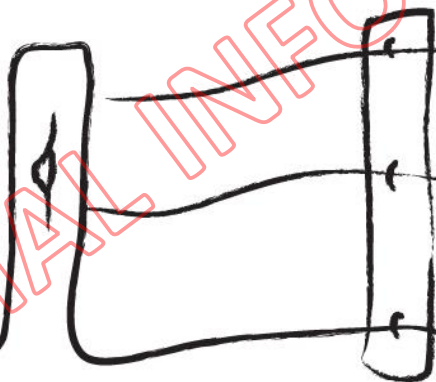


Can the Kiwi fly?

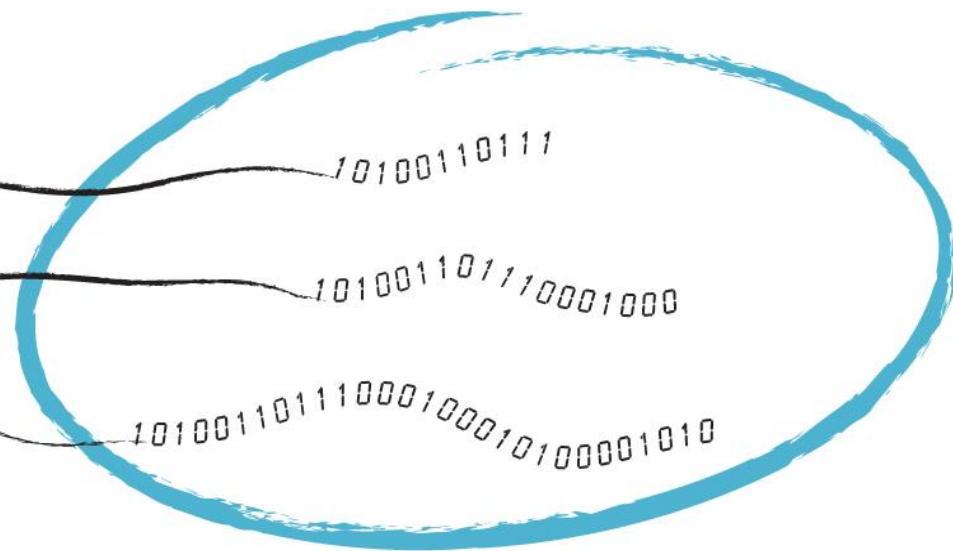
Achieving productivity lift off in New Zealand



1.0



2.0

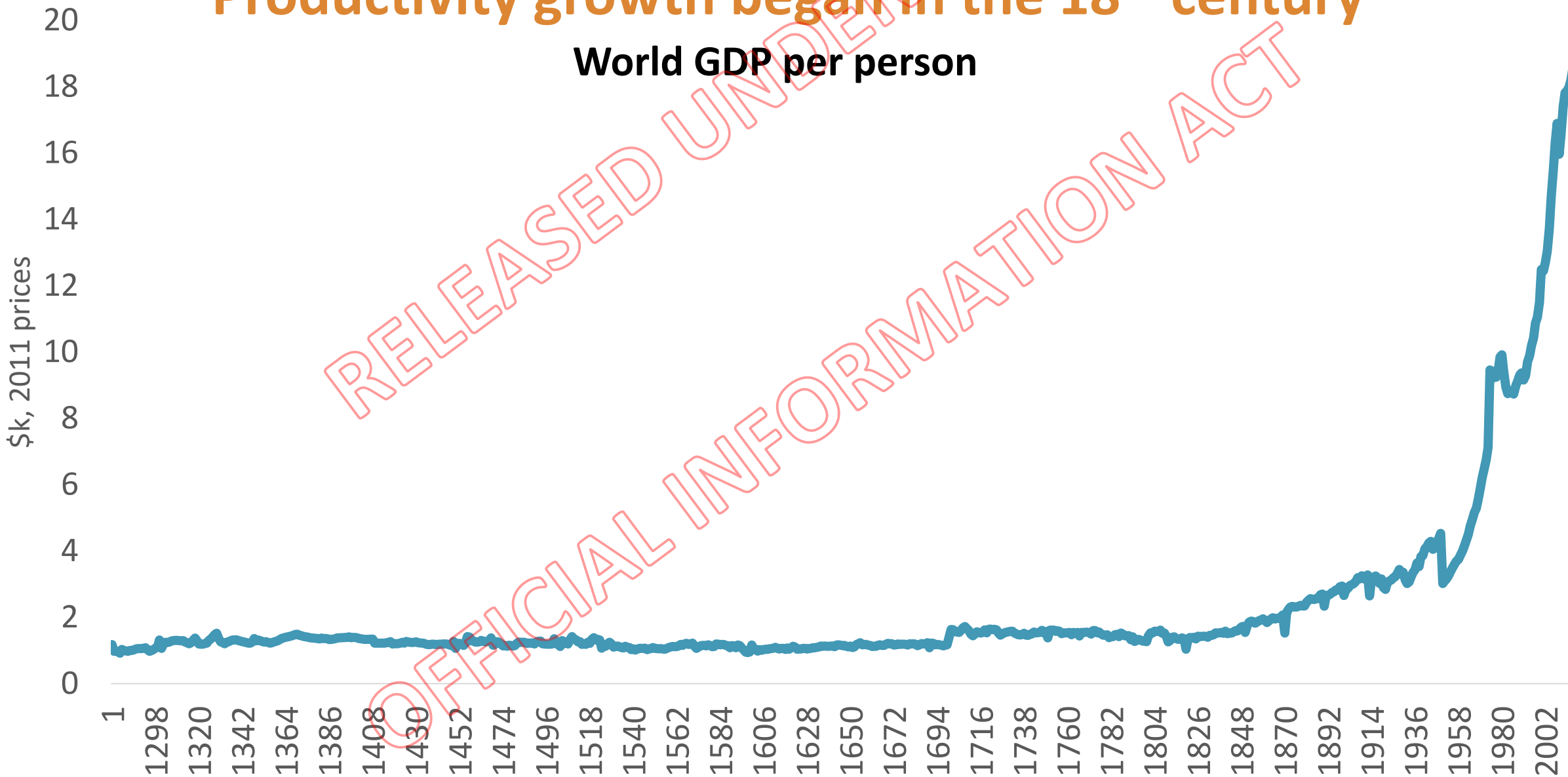


3.0

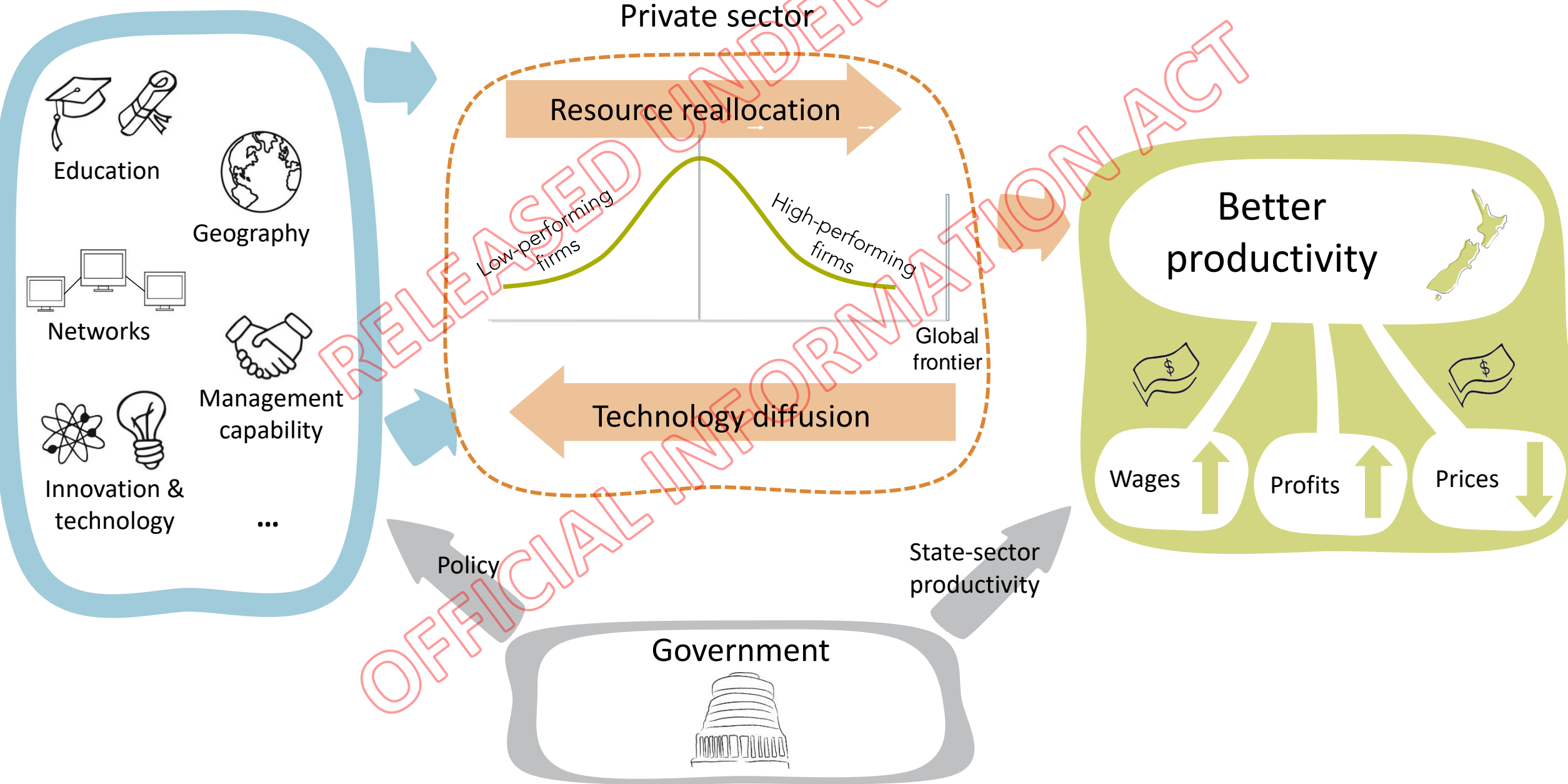
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Productivity growth began in the 18th century

World GDP per person



What is productivity and why should we care?



Education

Geography

Networks

Management capability

Innovation & technology

...

Private sector

Resource reallocation

Low-performing firms

High-performing firms

Global frontier

Technology diffusion

Policy

State-sector productivity

Government

Better productivity

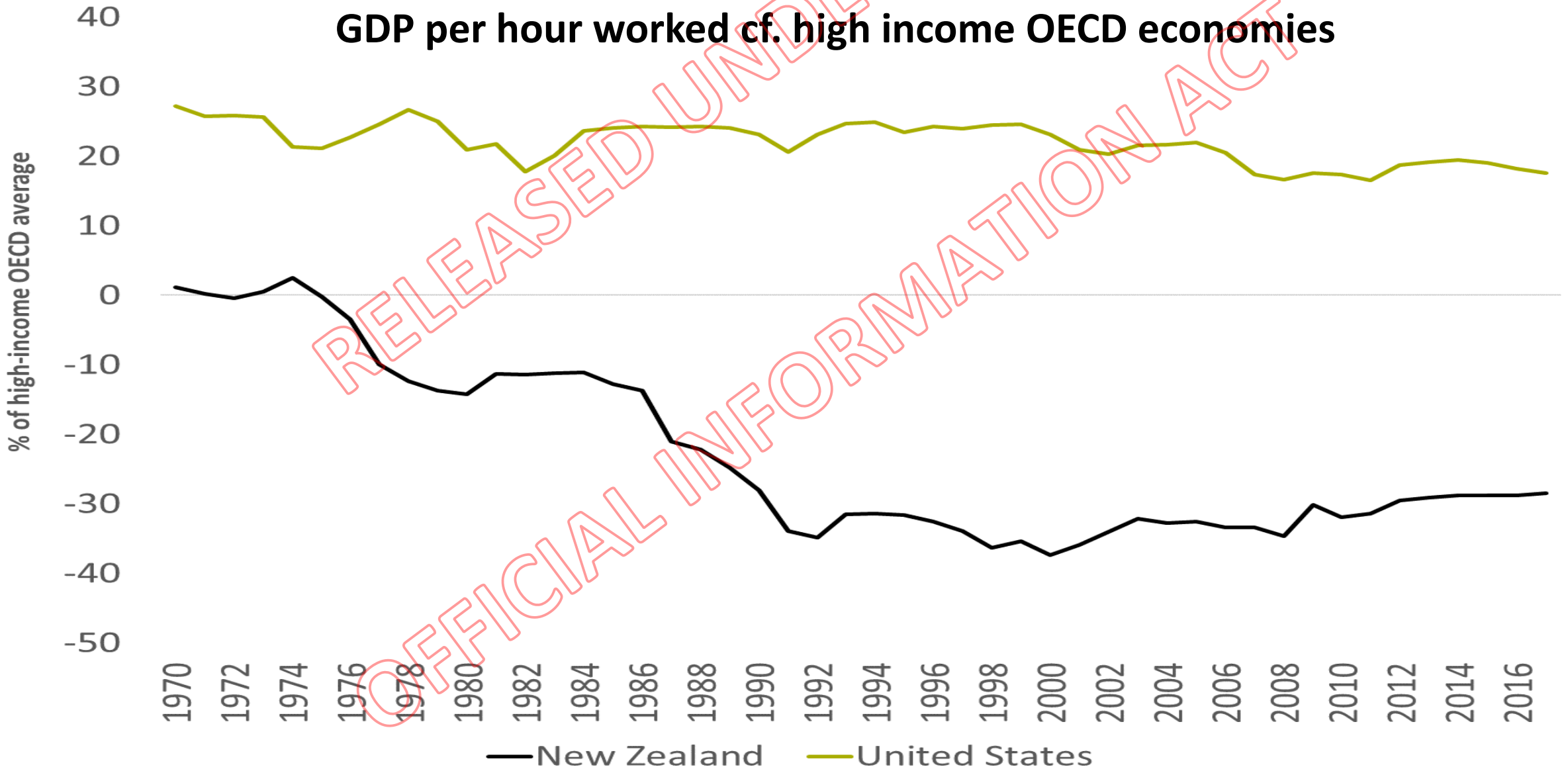
Wages

Profits

Prices

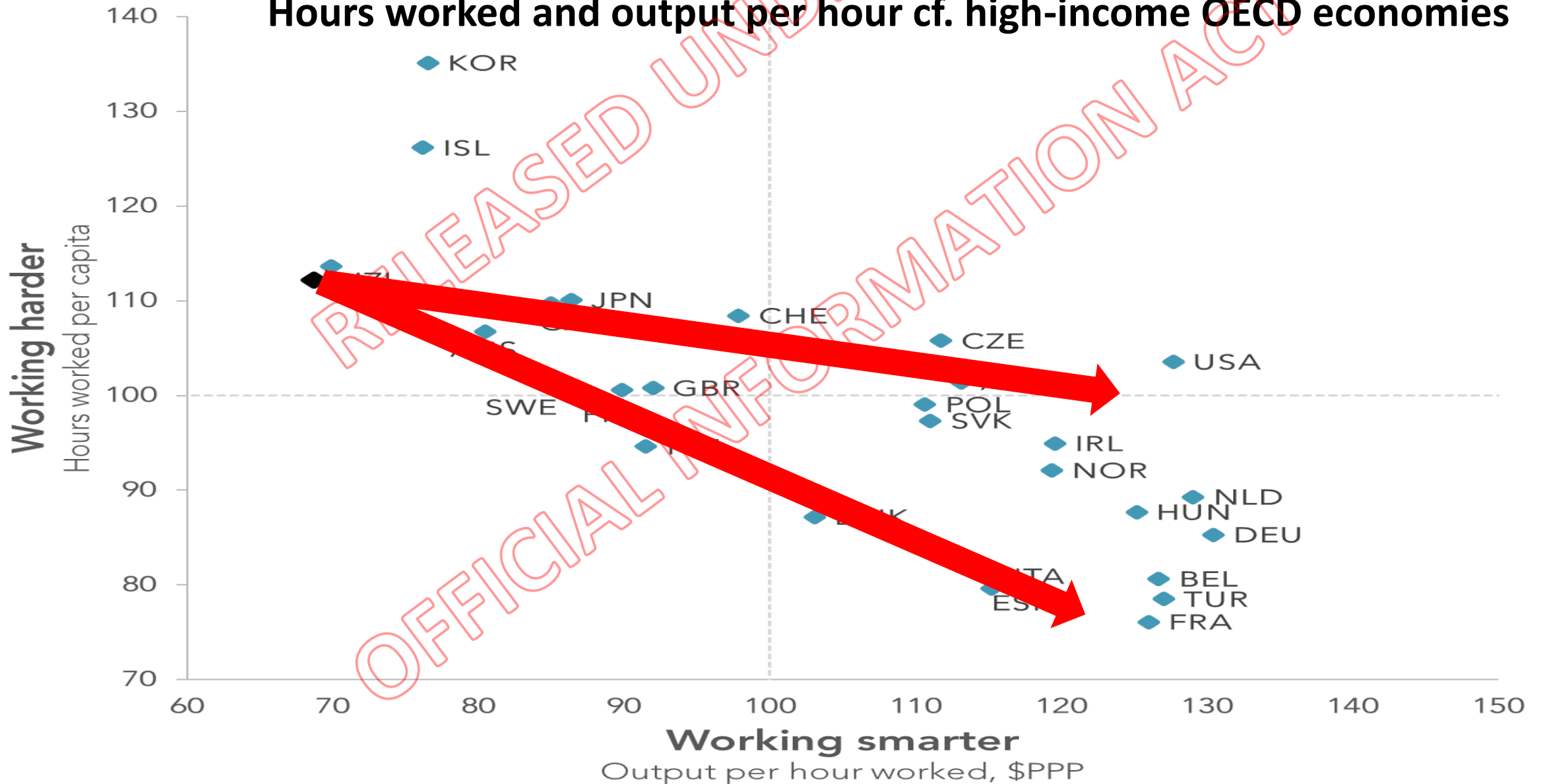
Low productivity keeps us not rich

GDP per hour worked cf. high income OECD average



To work hard or to work smart (or both)?

Hours worked and output per hour cf. high-income OECD economies



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BLUFF
NEW ZEALAND
LATITUDE 45° 54 sec
LONGITUDE 168° 21 min 26 sec EAST
AA
NEW ZEALAND

5123 km EQUATOR

LONDON 18958 km

15008 km NEW YORK

1401 km CAPE REINGA

HOBART 1680 km

SYDNEY 2000 km

6 km DOG ISLAND

WELLINGTON 784 km

21 km RUAPUKE ISLAND

35 km STUART ISLAND (OBAN)



Tip Top **SCHOOL DAIRY** *Tip Top*
Real ice creamier *Real ice creamier* *Real ice creamier*

Tip Top **DAIRY**



Fresh Bread
Gold Max

Special
HOT PIES
BIG BEN

SCHOOL DAIRY
Real ice creamier

Tip Top
Real ice creamier

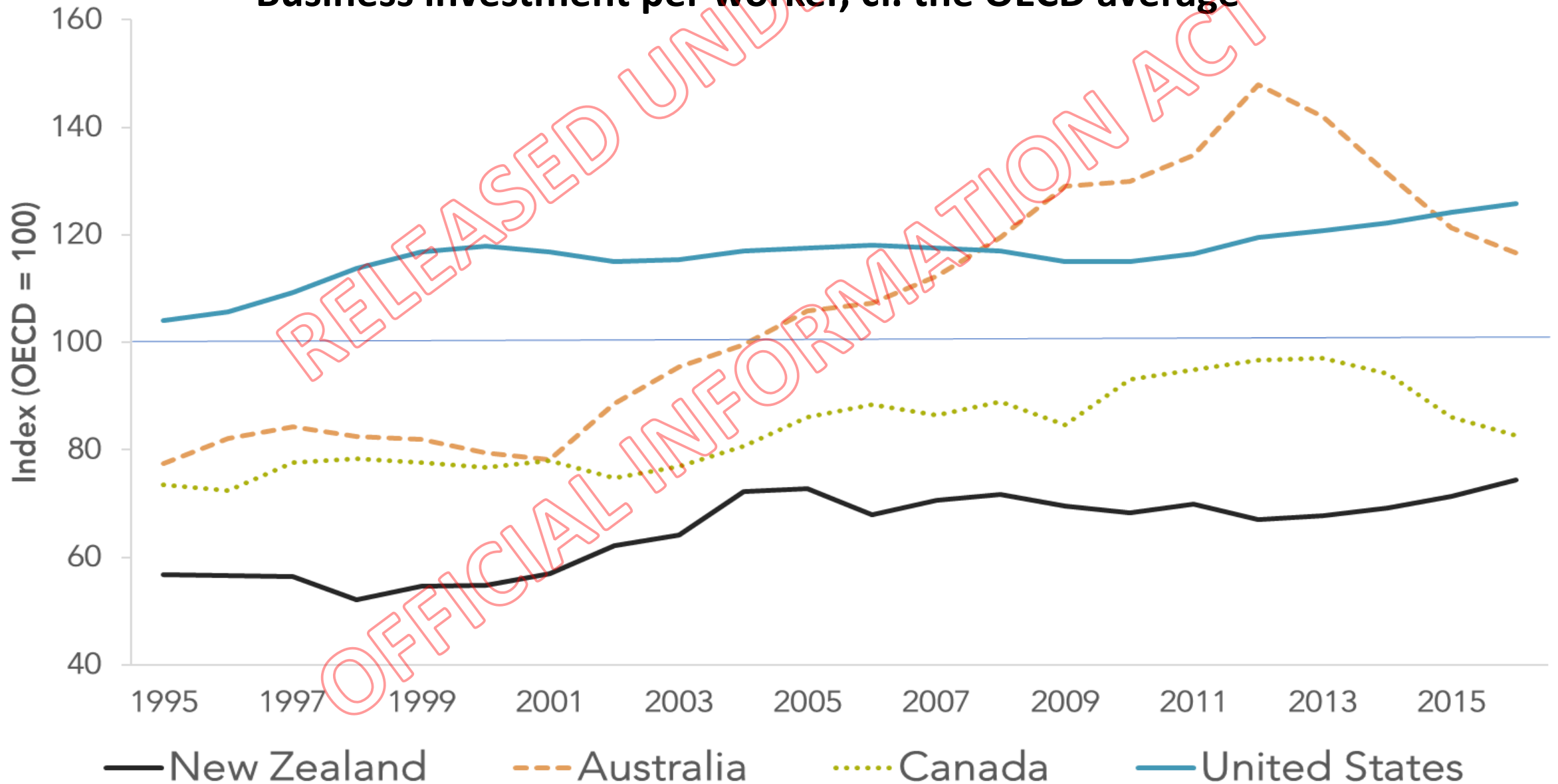
P
10

Meadow
Fresh

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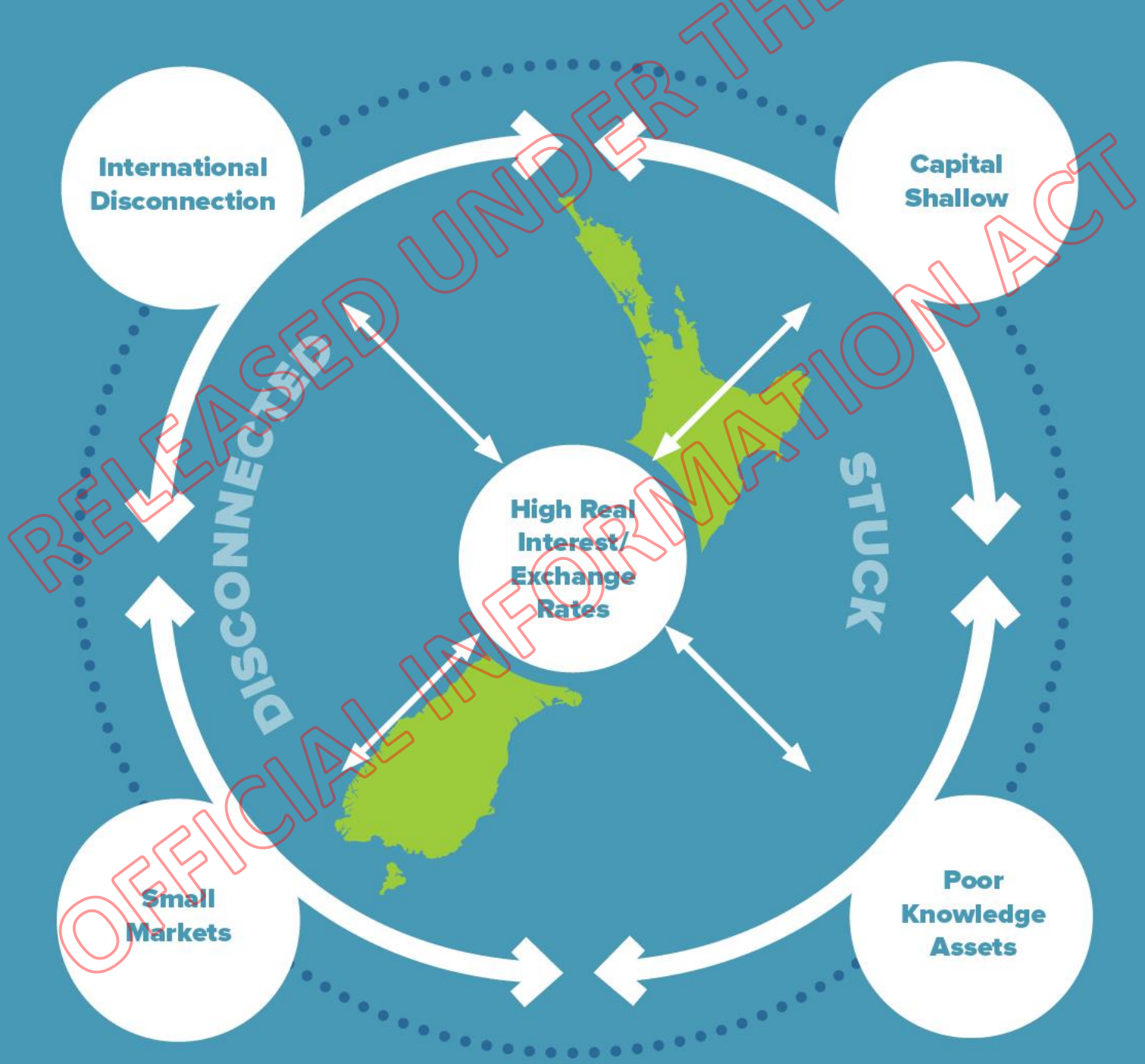
Kiwi businesses are slow to invest

Business investment per worker, cf. the OECD average



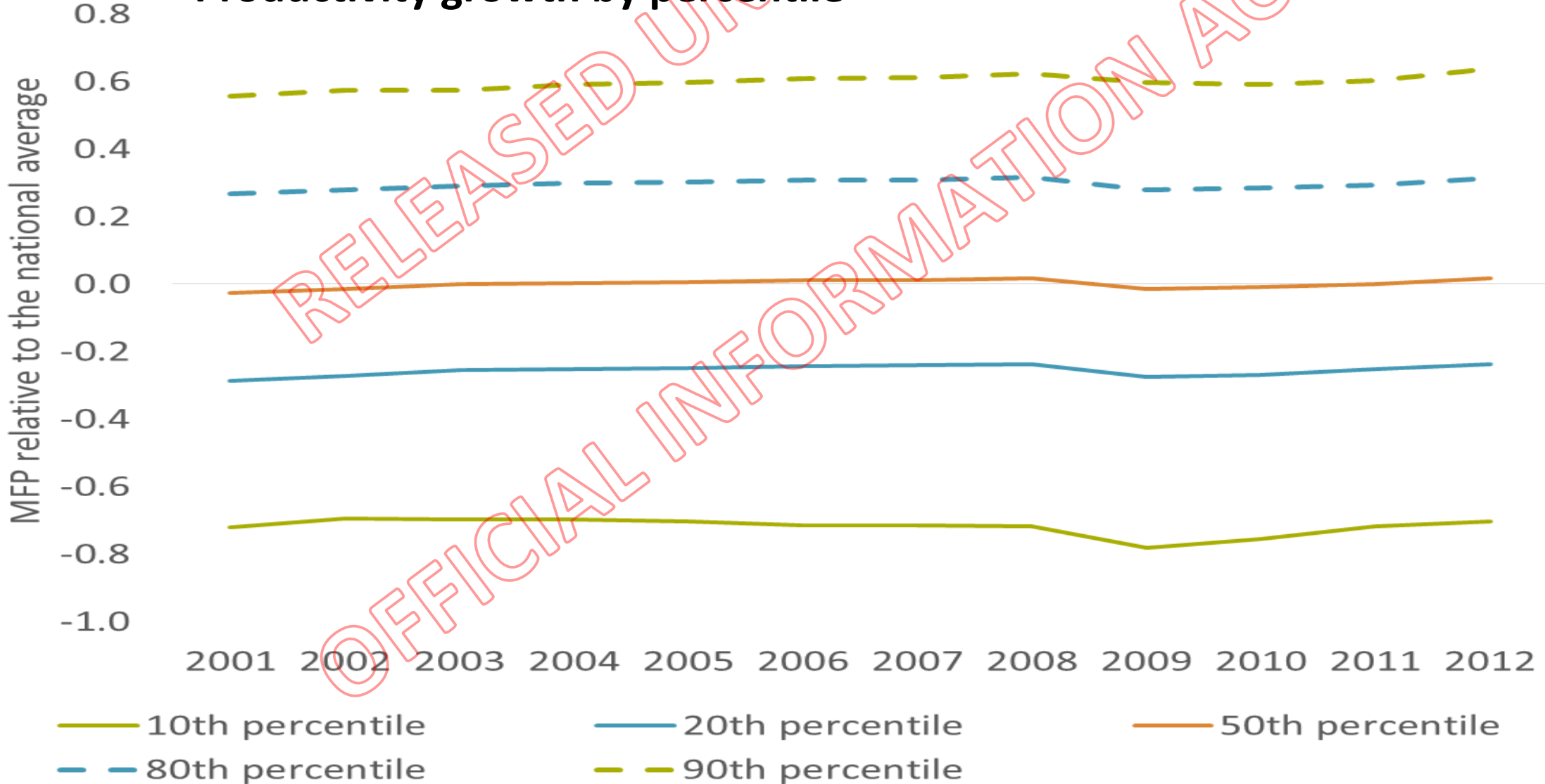


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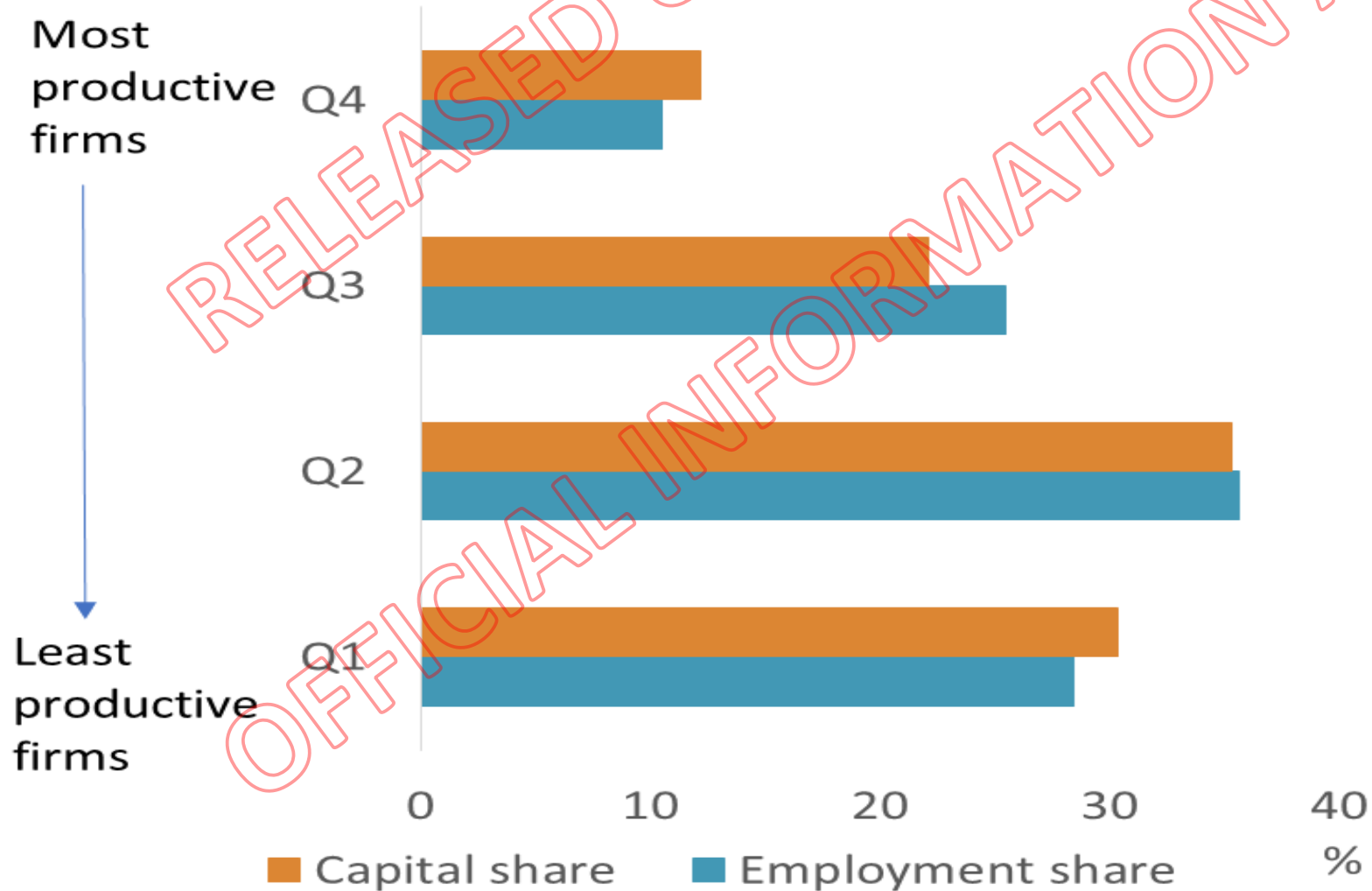
NZ firms are disconnected....

Productivity growth by percentile



.... and stuck

Share of productive resources by productivity quartile



New technology is fundamentally changing the nature of globalisation

20th Century Globalisation

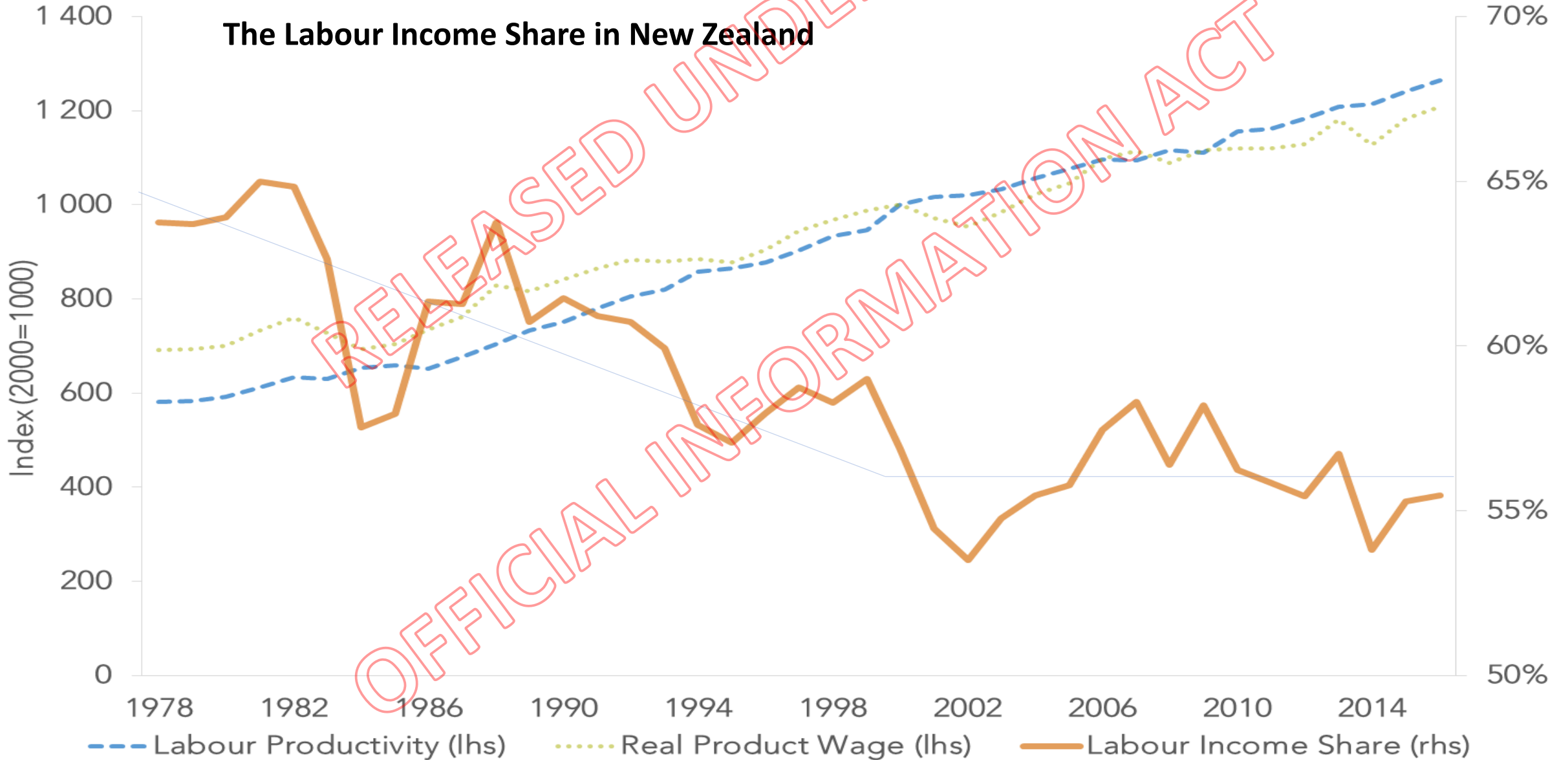


21st Century Globalisation



But what about the workers?

The Labour Income Share in New Zealand



The link between productivity and real wages over time....

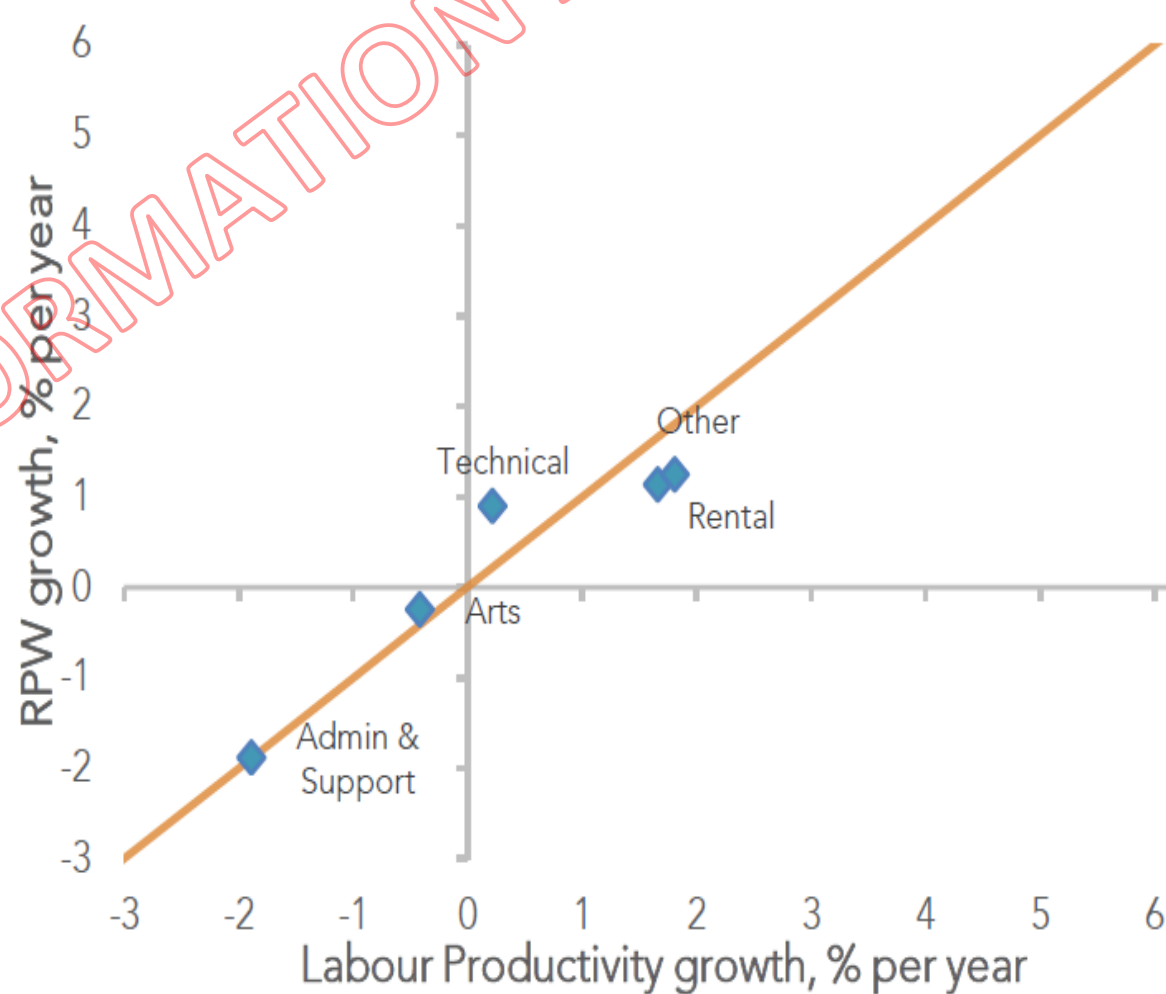


.... and across industries

a. MS-11, 1978-2016



b. MS-16 minus MS-11, 1996-2016



Industry correlation between LP and RPW over time

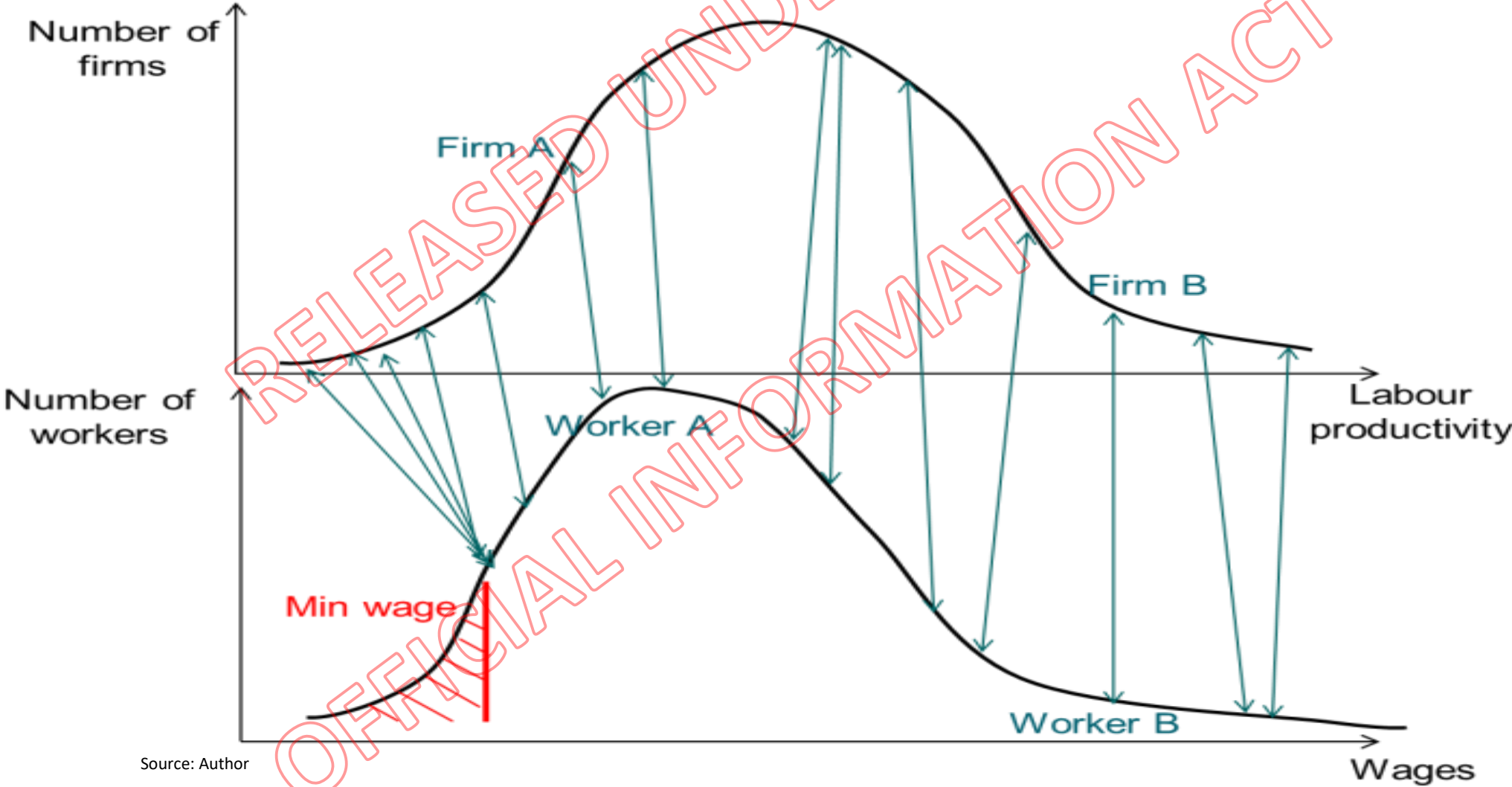


Industry correlation between LP and RPW over time

Table 7: Firm-level correlation Wage-Productivity in 2001

	corr(W,LP)		corr(W,MFP)	
	Manuf.	Services	Manuf.	Services
Denmark	0.64	0.66	0.56	0.53
Finland	0.23	0.29	0.29	0.30
France	0.56	0.50	0.58	0.61
Hungary	0.48	0.30	0.60	0.49
Italy	0.42	0.36	0.51	0.48
Japan	0.72	0.73	0.63	0.61
Netherlands	0.46	0.53	0.51	0.56
New Zealand	0.20	0.17	0.47	0.44
Norway	0.49	0.50	0.61	0.58

A minimum wage compresses the wage spread

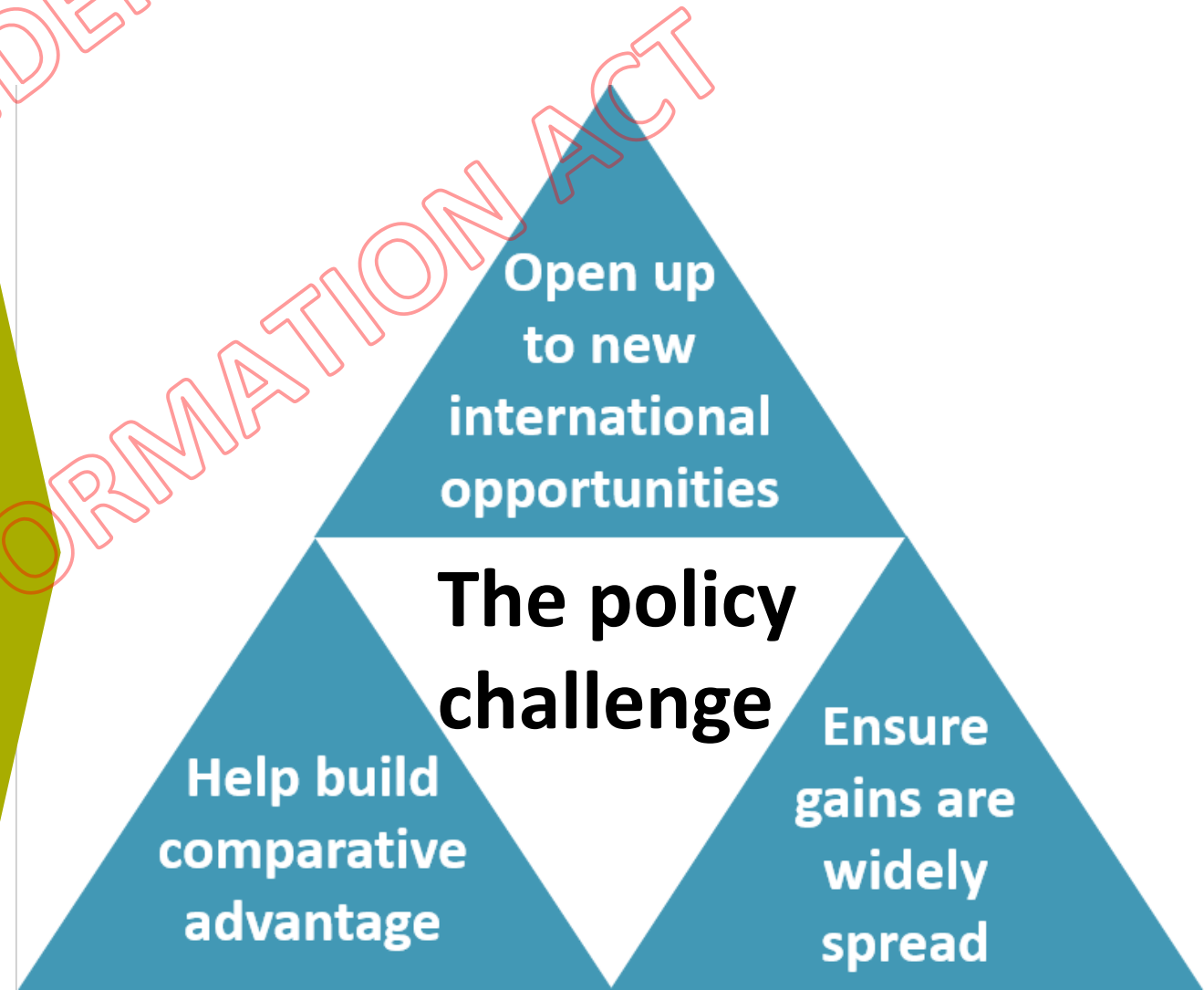


Source: Author

The art of policy

1. “Disconnected & stuck”
2. New opportunities from globalisation...
3. ... and mind the risks

TRANSITION



Summary points

- You are dealing with a key piece of economic infrastructure
- Labour market flexibility is critical given technological change
- What is the right balance between flexibility and security?
- Productivity growth is the key to higher material living standards
- New Zealand's productivity story is unique in some ways
- There are two sides to every market
- Policy settings need to be consistent. How does the package hang together?

3-minute summary video

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CONCLUSION

Private Sector Multi-Employer Collective Agreements The E tū Experience

E tū is the largest private sector union with approximately 55,000 members working in a range of industries from aviation, manufacturing, construction, postal, communications, property services, hospitality, entertainment to health and disability services.

Across these industries we negotiate over 600 collective agreements, but have only succeeded in holding on to four private sector multi-employer collective agreements, which all date from the early 1990s.

We do have a MECA involving 18 District Health Boards for cleaning, catering, orderly, security and home support employees, but this is in a part of the state sector which is highly unionised and the employers are supportive of MECA bargaining.

This paper explores the reasons why multi-employer collective agreements are not the answer to the creation of private sector industry standards or giving employees in small private sector workplaces the opportunity to negotiate their employment conditions collectively.

Wellington Primary Health Services MECA

This is a very small collective multi-employer collective agreement covering about 200 nurses, community health workers, social workers, administration workers, cleaners and receptionists employed in five not-for-profit primary health services in Wellington.

The pay rates and employment conditions are above the industry average and this agreement has held together because of the combined commitment of the services to its existence and because of the need to attract highly committed health workers with good skills to work with the populations that these services cover (ie low income high health needs).

The MECA has existed since 1992 and at various times has contained up to 9 employers but though amalgamations and changes in services this has reduced to its current size.

Because of the small local base for this MECA it doesn't effect the industry in which it is involved.

NZ Cleaners and Cleaning Contractors Multi-Employer Collective Agreement

This MECA relates back to the NZ Cleaners, Caretakers and Lift Attendants Award and NZ School Contract Cleaners Award and their removal by the Employment Contracts Act in 1991.

These documents both had pay rates of about 37% above the then minimum wage, an 8 hour day and 40 hour week with payment of overtime at T1.5 and T2, extra payments for working after 8 p.m. at night, and sick leave higher than the current Holidays Act entitlement.

The MECA was put together by the Cleaners Union (now part of E tu) and the Master Cleaners Federation (now the Building Services Contractors of NZ) in order to provide a base set of conditions that would prevent a race to the bottom in the cleaning industry.

Because of the pressure on the union through high employee turnover and non-Master Cleaners Federation cleaning companies employing new workers on bare minimum conditions, the first 1992 Cleaning MECA, covering both commercial cleaning and the education sector, was inferior to the previous Award.

The MECA has been maintained over the 17 years since then through the interests of the employer group (providing a service to its members) and the union (the lower transaction costs of negotiating a large number of single employer collective agreements in an industry where workers had very little bargaining power).

There are 40,000 cleaners employed in New Zealand on thousands of worksites, many working at nights by themselves.

When the first MECA was negotiated it involved over 50 cleaning companies. In the latest MECA this number is down to 19 companies, even though the companies that are party to the MECA are generally the larger companies.

In 2008 the parties to the MECA and the union teamed up with the Property Council and the then Government to extend the MECA into the base for all cleaning procurement through Government departments and buildings owned by Property Council members. For a short time (the Government withdrew from this in 2015) this gave it a small glimmer of light as to what could be achieved in the cleaning industry.

The employment conditions in the MECA now, however, are little better than what the various minimum conditions are required in employment law. From April to August in each year the cleaners are paid on the minimum wage and from August until April their wages are increased under the MECA to give them a margin of 35 cents an hour (currently 2%).

Despite this small margin there is massive pressure from 9(2)(g)(i) cleaning companies (some of them franchised to independent contractors) to compete on wages and labour costs, which is the largest part of the price of a cleaning contract.

The union occasionally tries to get these companies into the MECA or to negotiate separate collective agreements with them for our members, but because of the voluntary nature of

the law around MECAs and the transaction costs in negotiating a collective agreement with a small cleaning company there is not much we can do but to tell members employed by these companies to wait for a change of law to enable their rights to collectively bargain to be realised.

In the last 12 months two of the larger companies (Spotless and Paramount) have pulled out of the MECA for various reasons. The union has been forced to negotiate collective agreements with these companies separately for what are essentially the same terms as in the MECA, which in the case of Paramount, which operates a franchising model, effectively a separate Paramount MECA for the Paramount and its franchisees (where we have been able to find and recruit employees of these franchisees).

Metal and Manufacturing Industries Multi-Employer Collective Agreement and the NZ Plastics Industry Multi-Employer Collective Agreement

The Plastics Multi-Employer Collective Agreement dates from 1992, with many of the standard conditions from the previous awards (eg hours of work, overtime rates, shift payments etc) carrying over from then.

At the time the Plastics MECA was set up there were four union parties, but now there is only E tū and First Union with six “original” employer parties.

The Metals MECA dates from the same time, initially divided into a Northern Metals MECA and a Southern Metals MECA, but since the late 1990s just one national MECA. There is only one union (E tū) and seven “original” employer parties.

The Plastics MECA moved away from multi-classification pay rates and service pay to a skill-based pay system linked to qualifications very early in its development. Training was, and has been, a central part of the Plastics MECA pay scheme, although training was not mandatory for either the employers nor the employees.

One of the agreed objectives of the Plastics MECA is “the improvement of productivity, efficiency and competitiveness of the industry through a commitment to qualifications.”

The Metals MECA has similar commitments to productivity and skill development although the minimum wage rates are generally based on work classifications.

The negotiations for both MECAs normally take place with a key group of employers and the unions. The unions then go around other employers and get them to sign on as a “subsequent party” to the MECA.

While the MECAs have been good for setting the base industry employment conditions if an employer does not want to accept the industry standards created in the MECA then there is

little the union can do to force the issue, especially in small enterprises. Even the subsequent industry parties have lists of conditions from the MECA that they opt out of.

There are even problems with large enterprises, as is shown by the behaviour of New Zealand's largest plastics manufacturer Sistema, which pulled out of the Plastics MECA and decided to embark on a strategy that involved 80% of its production workforce working 60 hours a week on the minimum wage on employment conditions well below the MECA. There are no references to skill-development or skill-based pay.

Collective bargaining is problematic in both of these industries. While the union and some of the key employers would like to use the MECA as a vehicle to work on the development of the industry rather than just individual enterprises the MECA, due to its voluntary nature, does not provide a vehicle to deal with productivity, skill-development or the lifting of wage rates.

Summary

The E tū experience has led us to the following conclusions about MECAs:

- Industry bargaining provides an opportunity to look beyond the enterprise into larger industry productivity, skill, immigration, regulatory and workforce issues but the voluntary nature of MECA bargaining falls short in this regard.
- MECA bargaining is constantly undermined by the 9(2)(g)(i) who sit outside of the bargaining looking to gain a competitive advantage on lower employment conditions.
- Because MECA bargaining is voluntary and the outcomes are voluntary the ability of most workers in the industry to be effectively involved in the collective bargaining process is very low.
- The various changes in the law between Labour and National Governments about MECA bargaining have made little difference to the ability to get minimum industry employment conditions established. Once the Employment Court in SFWU v Auckland DHB and others (WEC 1 August 2007) ruled that the duty to conclude collective bargaining did not apply to MECAs then union attempts to get new MECAs established were dead in the water.

John Ryall
E tū Assistant National Secretary
10 August 2018



Centre for Labour,
Employment and Work

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Breakdown of CEAs in Effect in the Year to June 2018

✓ 2,056 collective employment agreements (CEAs)

1,600 in the private sector

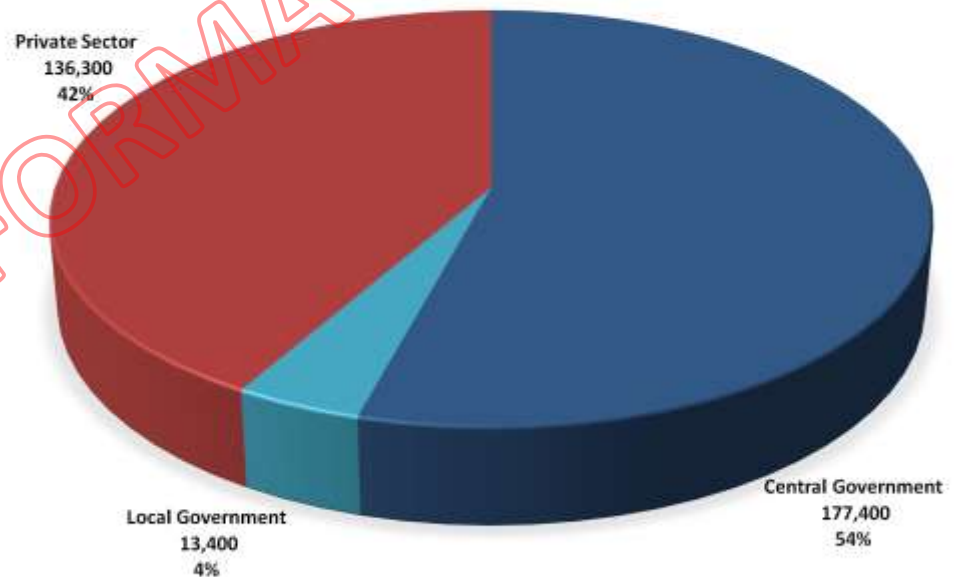
456 in the public sector

✓ 327,100 employees covered by CEAs

136,300 in the private sector

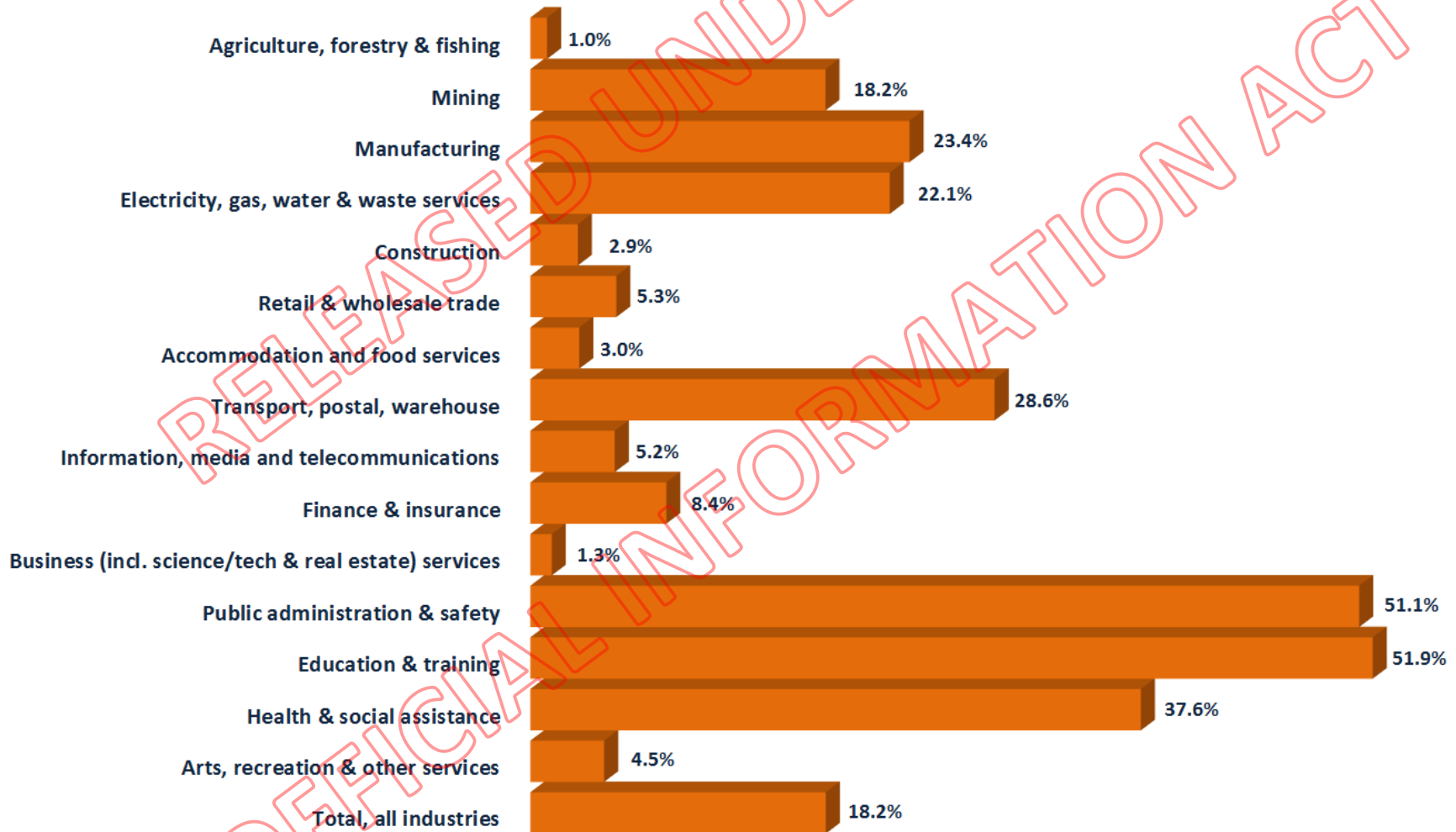
190,800 in the public sector

Sectoral Breakdown of Sample by Coverage,
Year to June 2018



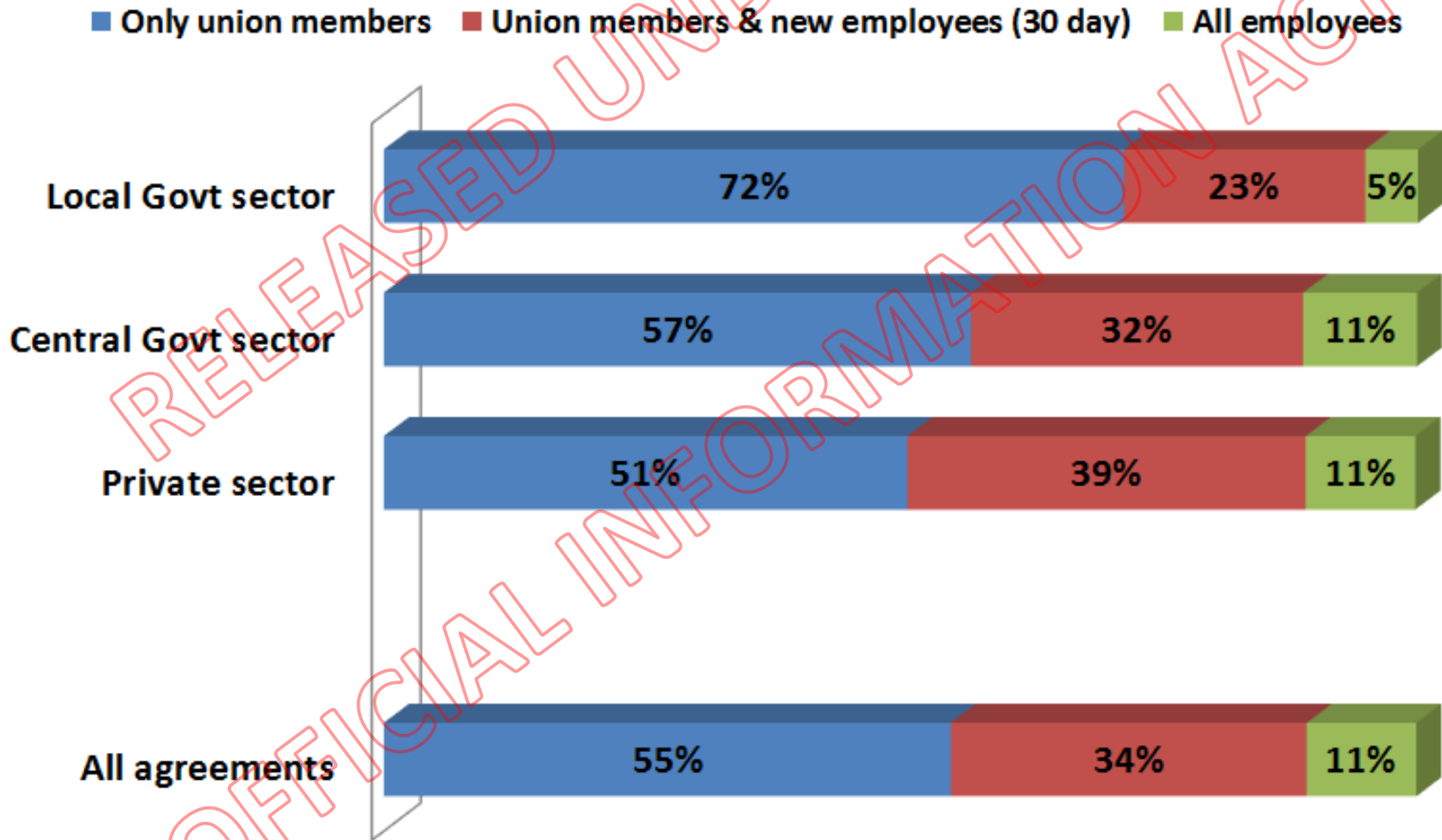
Bargaining coverage by industry group, 2018

Share of jobs filled* covered by CEAs (%)

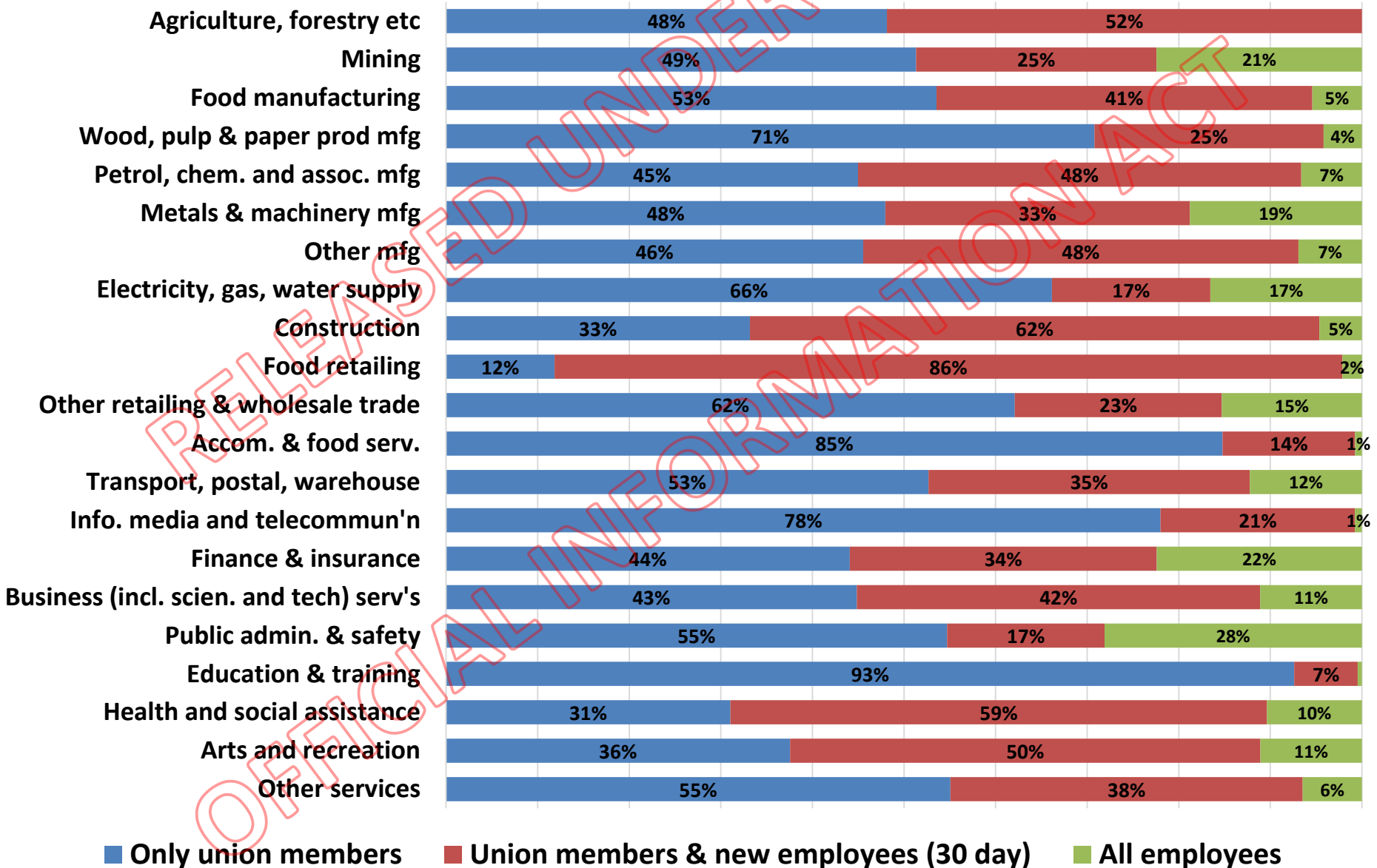


* Source: Statistics NZ QES (March 2018 quarter), except for agriculture, forestry & fishing and mining, where total employment is used as the base.

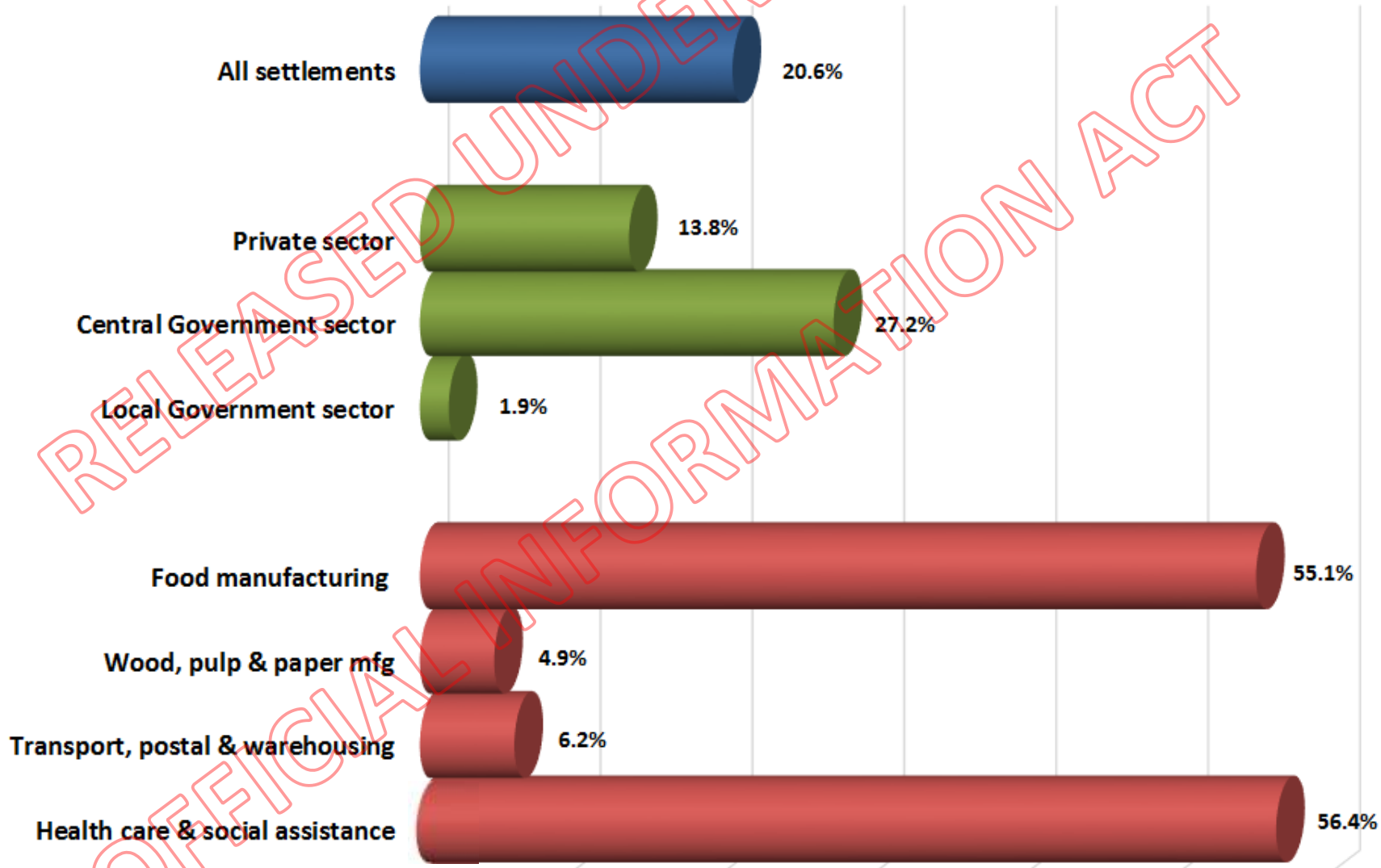
Extension of Coverage, Year to June 2018



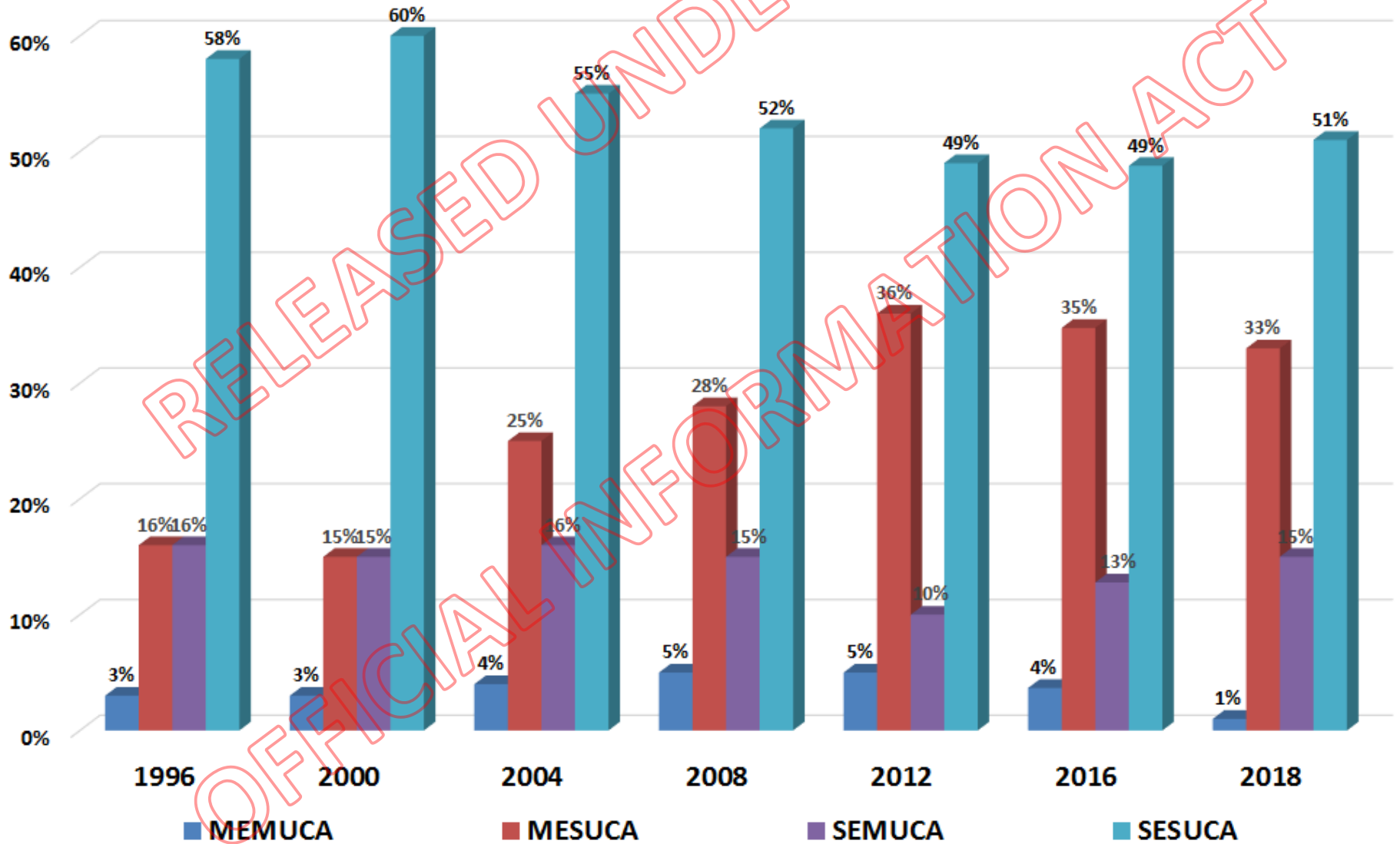
Extension of Coverage by Industry, Year to June 2018



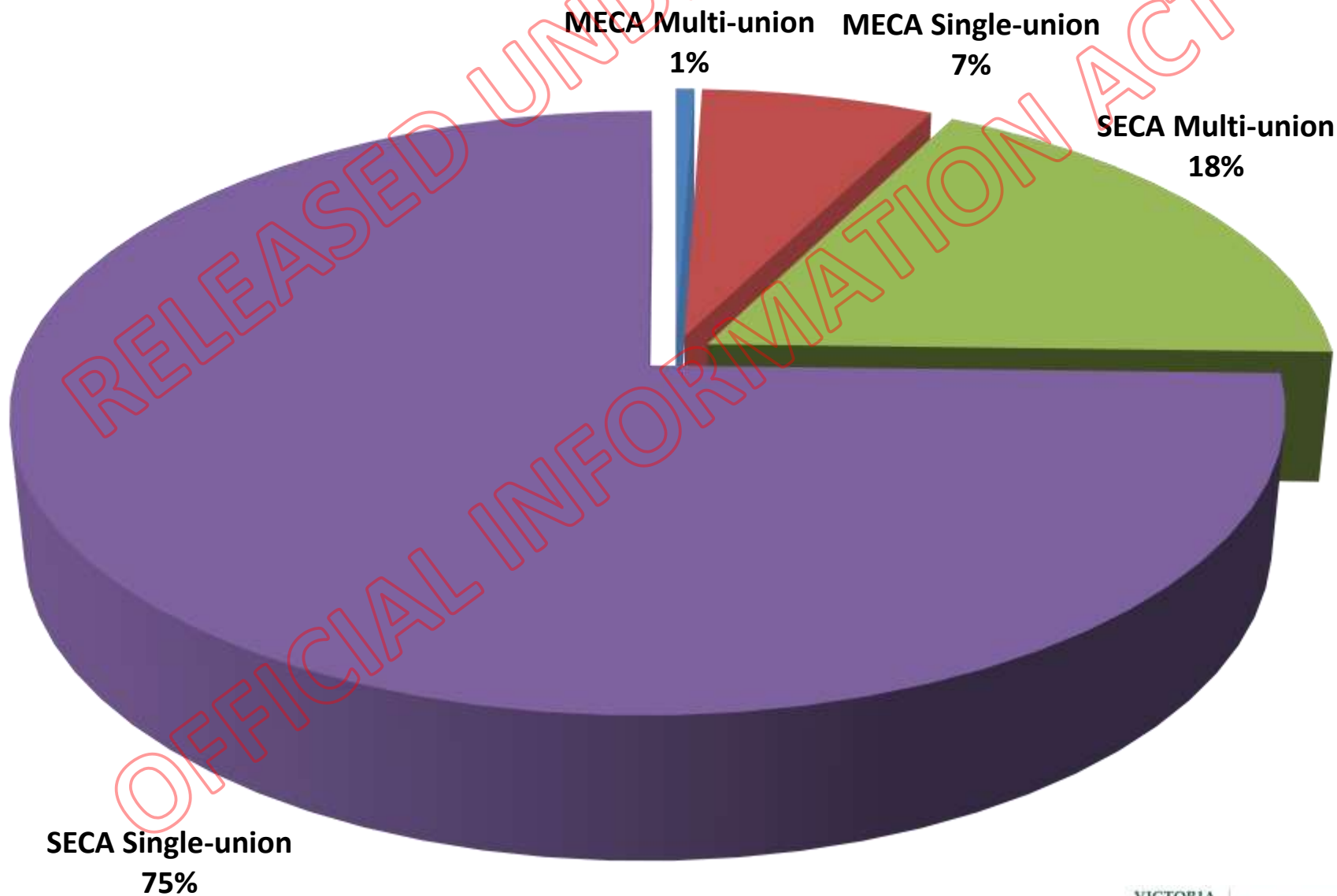
Bargaining Fee Clauses, Year to June 2018



Bargaining Structure, selected years, 1996-2018



Bargaining Structure: Private Sector (2018)



SECA Single-union
75%

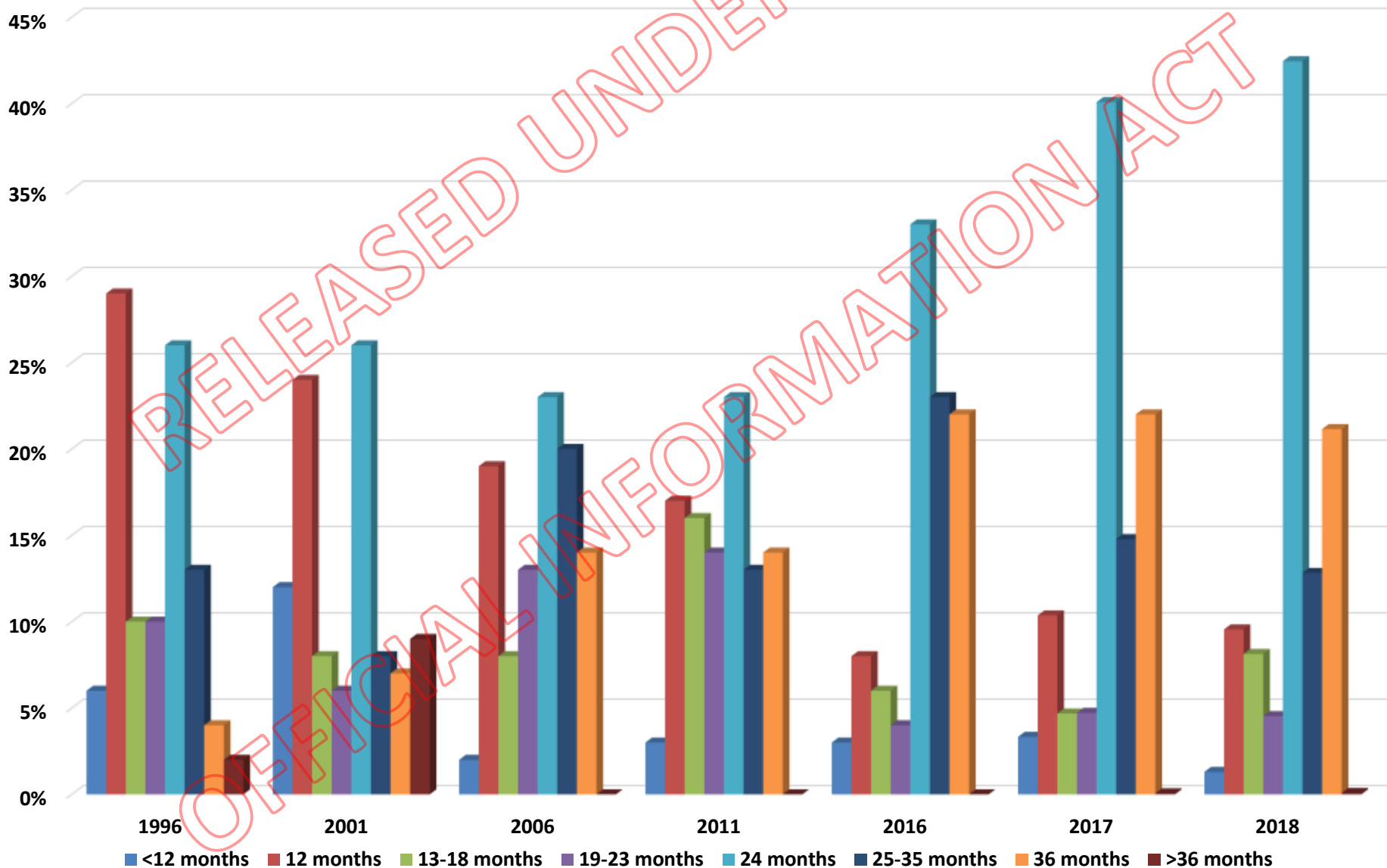
Bargaining Structure: Public Sector (2018)

SECA Single-union
34%

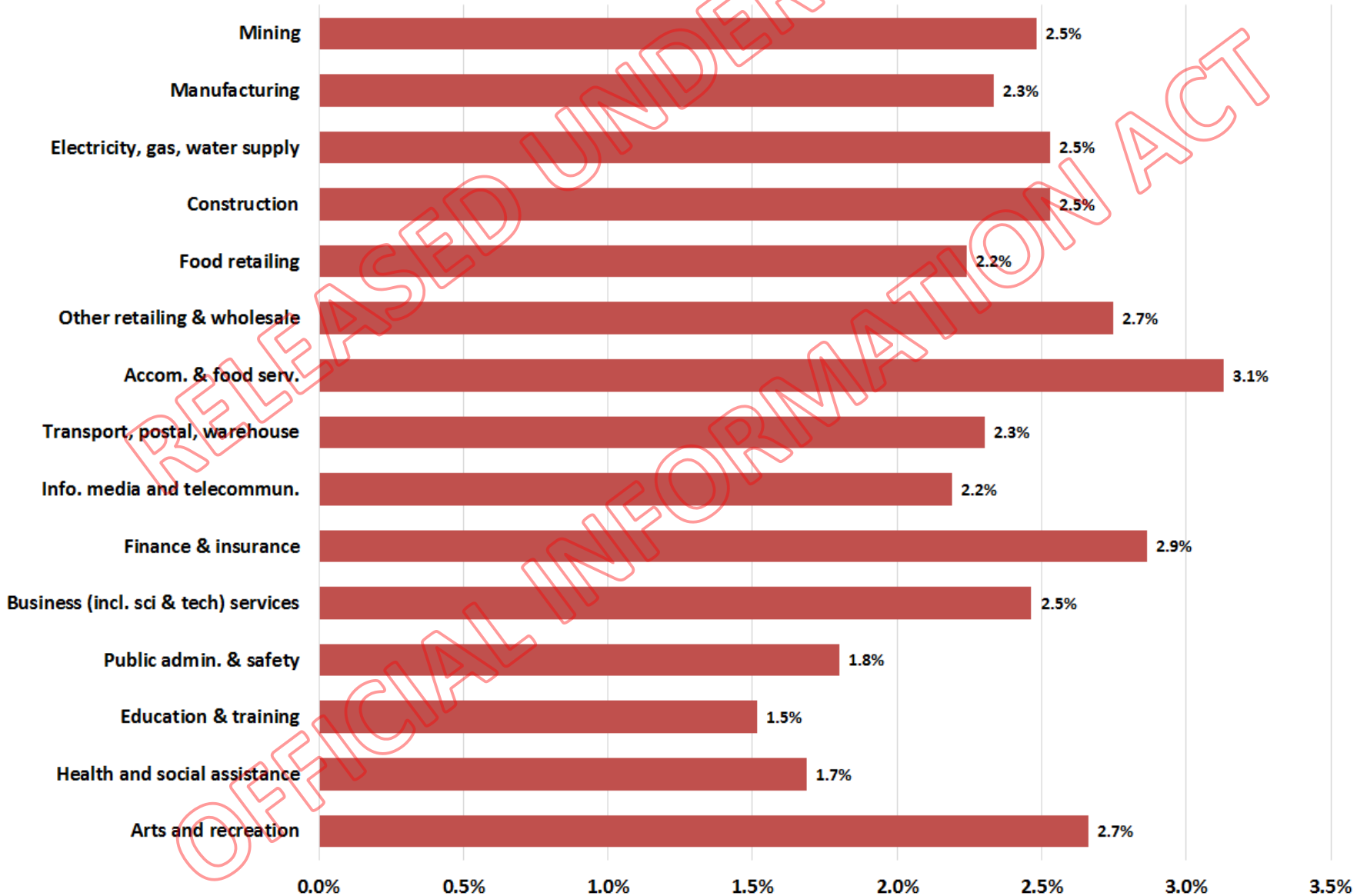
SECA Multi-union
13%

MECA Single-union
53%

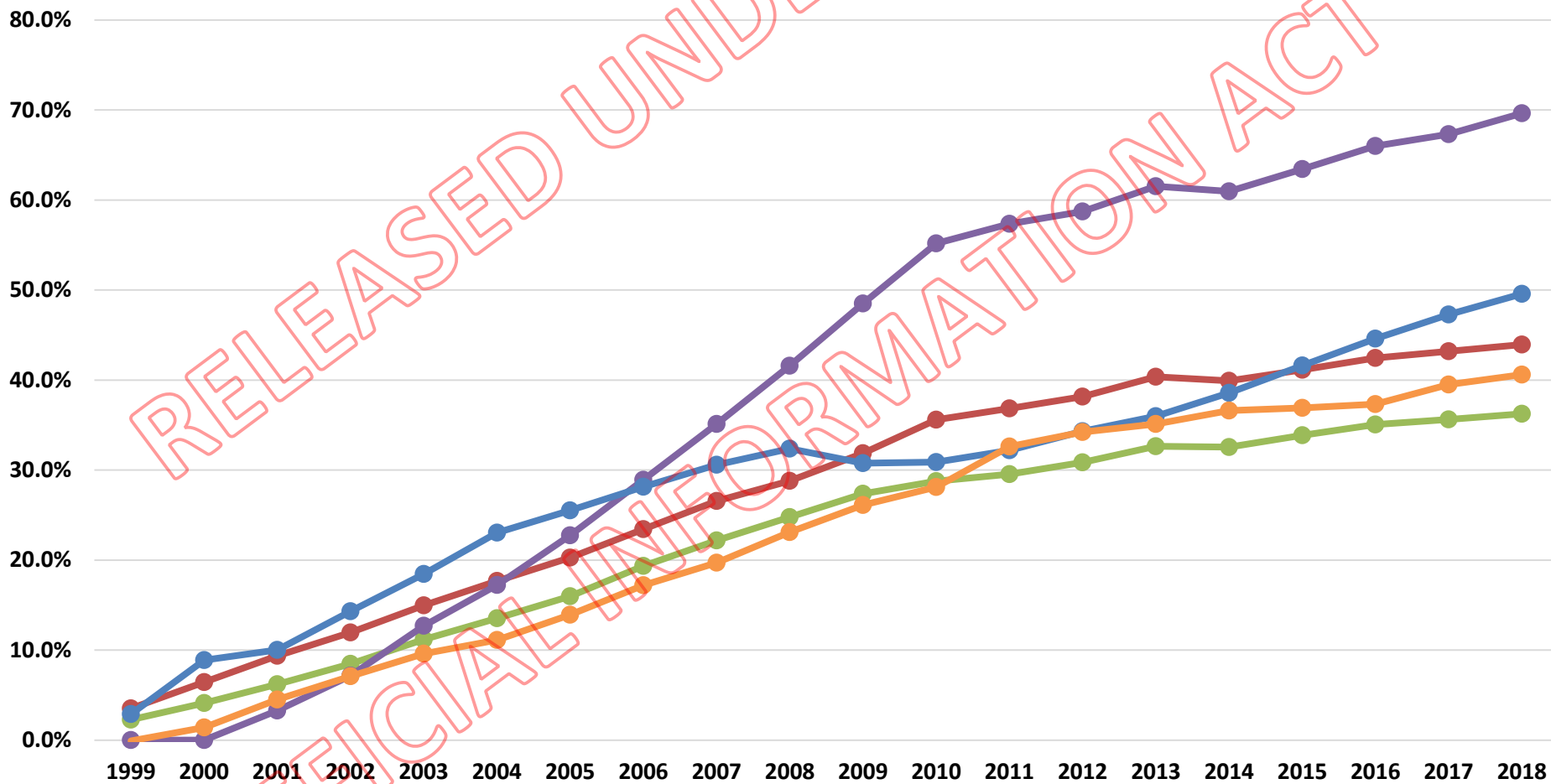
Term of Agreement (Share of Total Coverage), Selected Years, 1996-2018



Weighted mean annual wage change by sector and industry (2011-2018)

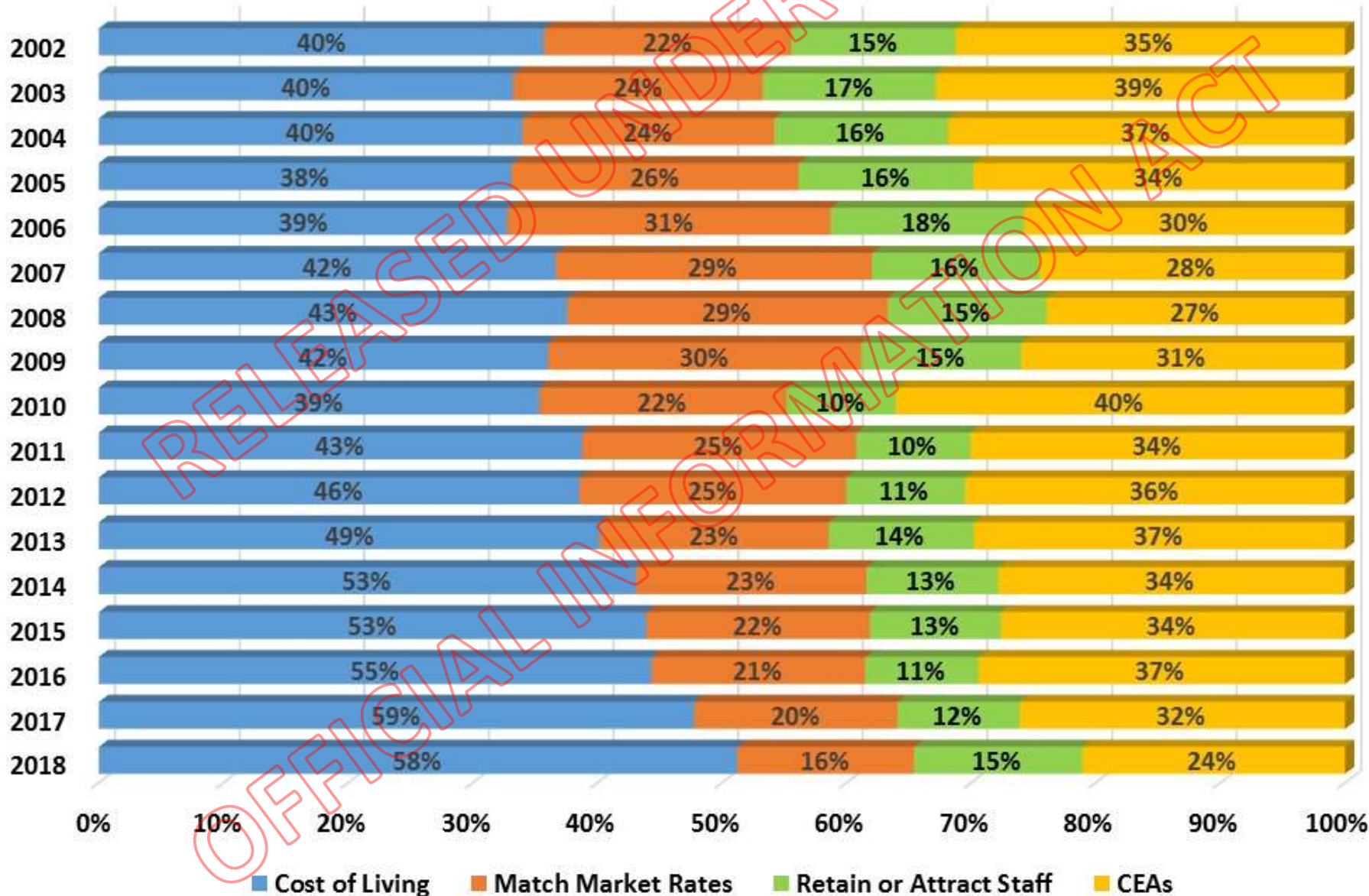


Cumulative Percentage Change in Labour Market Indicators (Base=1998), Year to March (ex CLEW to June & Min wage to April), 1999 - 2018*

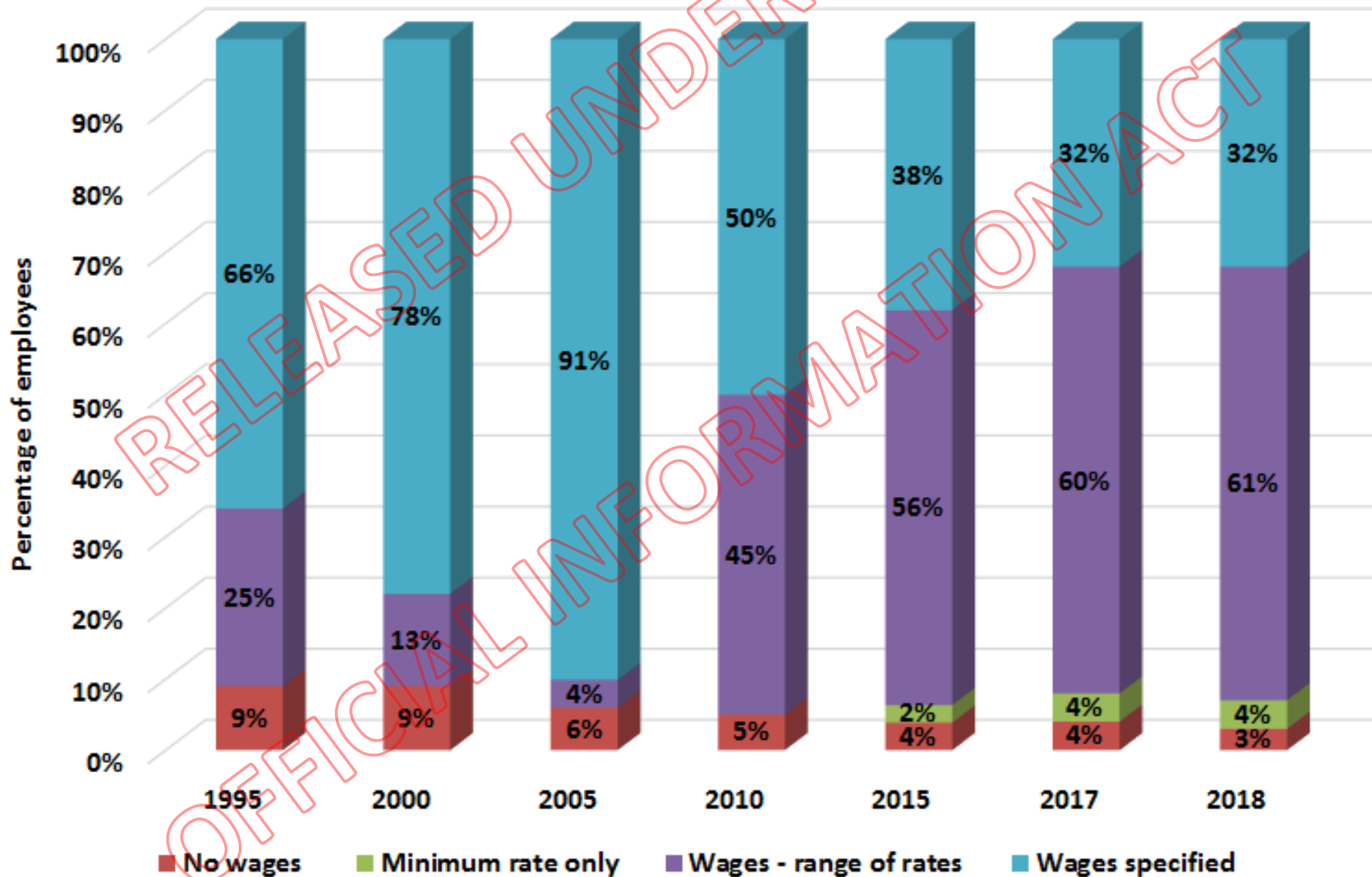


* Wage and productivity growth data have been adjusted for inflation using the GDP (expenditure) implicit price deflator (2009/10 dollars).

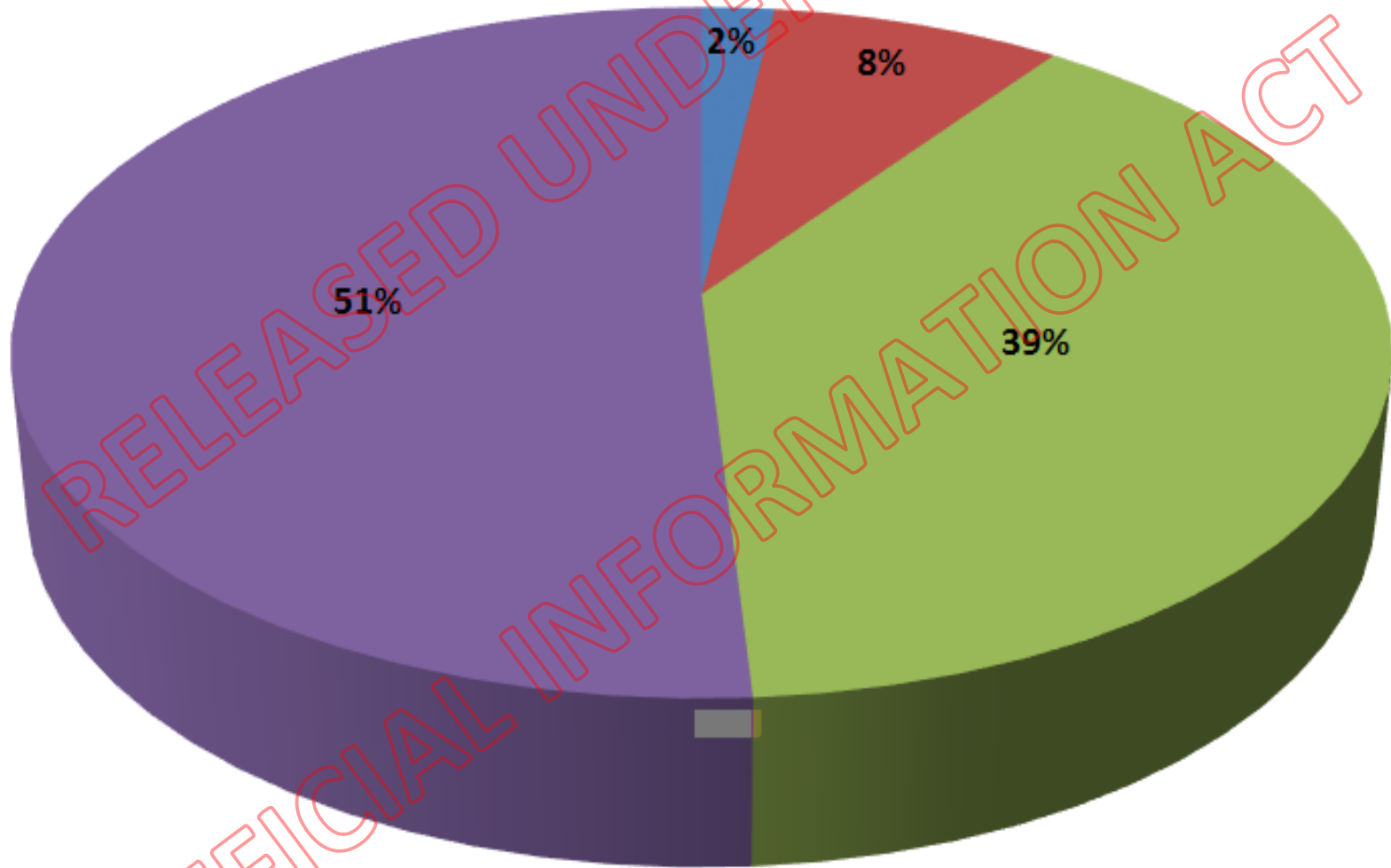
Distribution of Reasons for Annual Increases, LCI, Year to June, 2001-2018



Type of wage clause, selected years 1995-2018

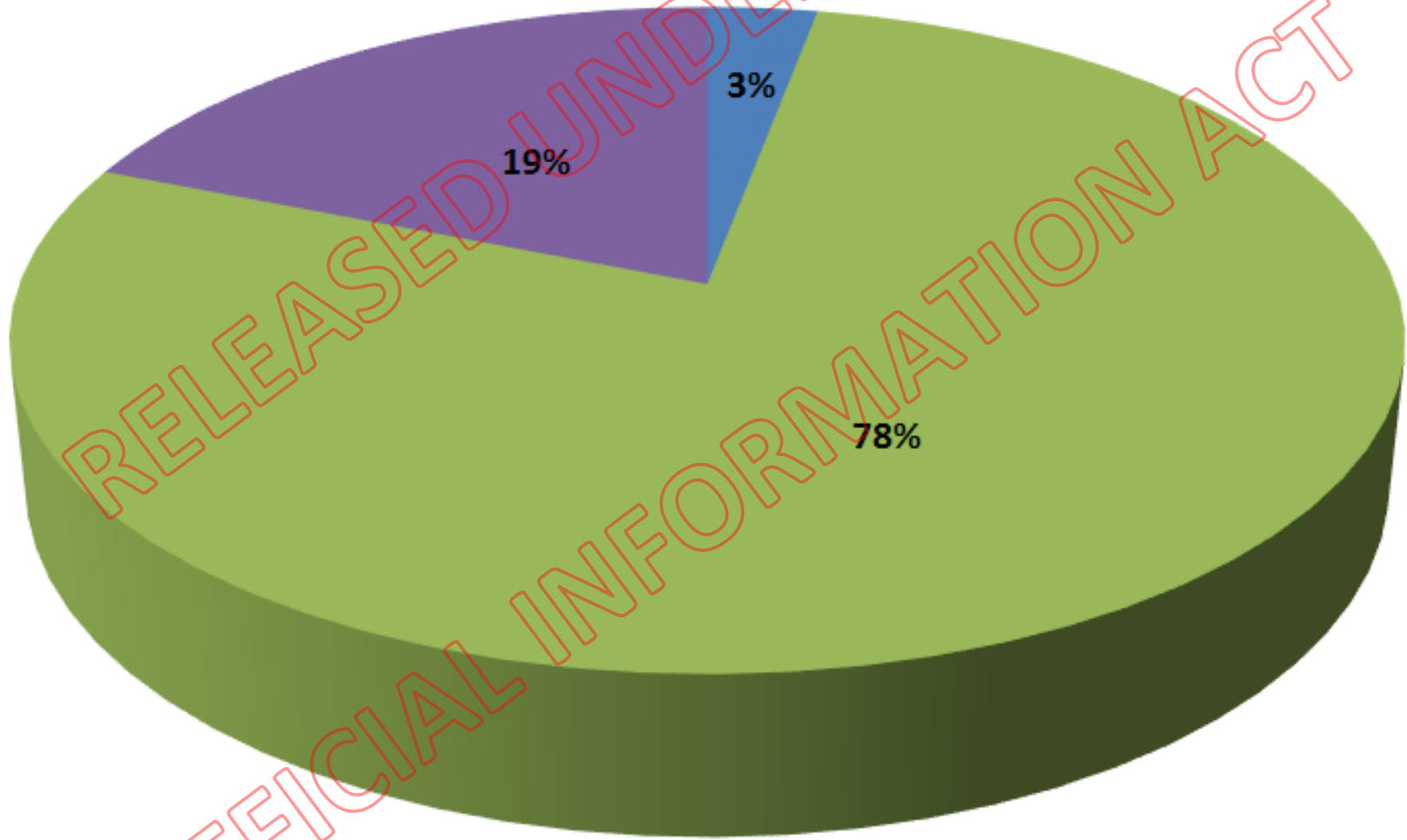


Type of wage clause, private sector (2018)



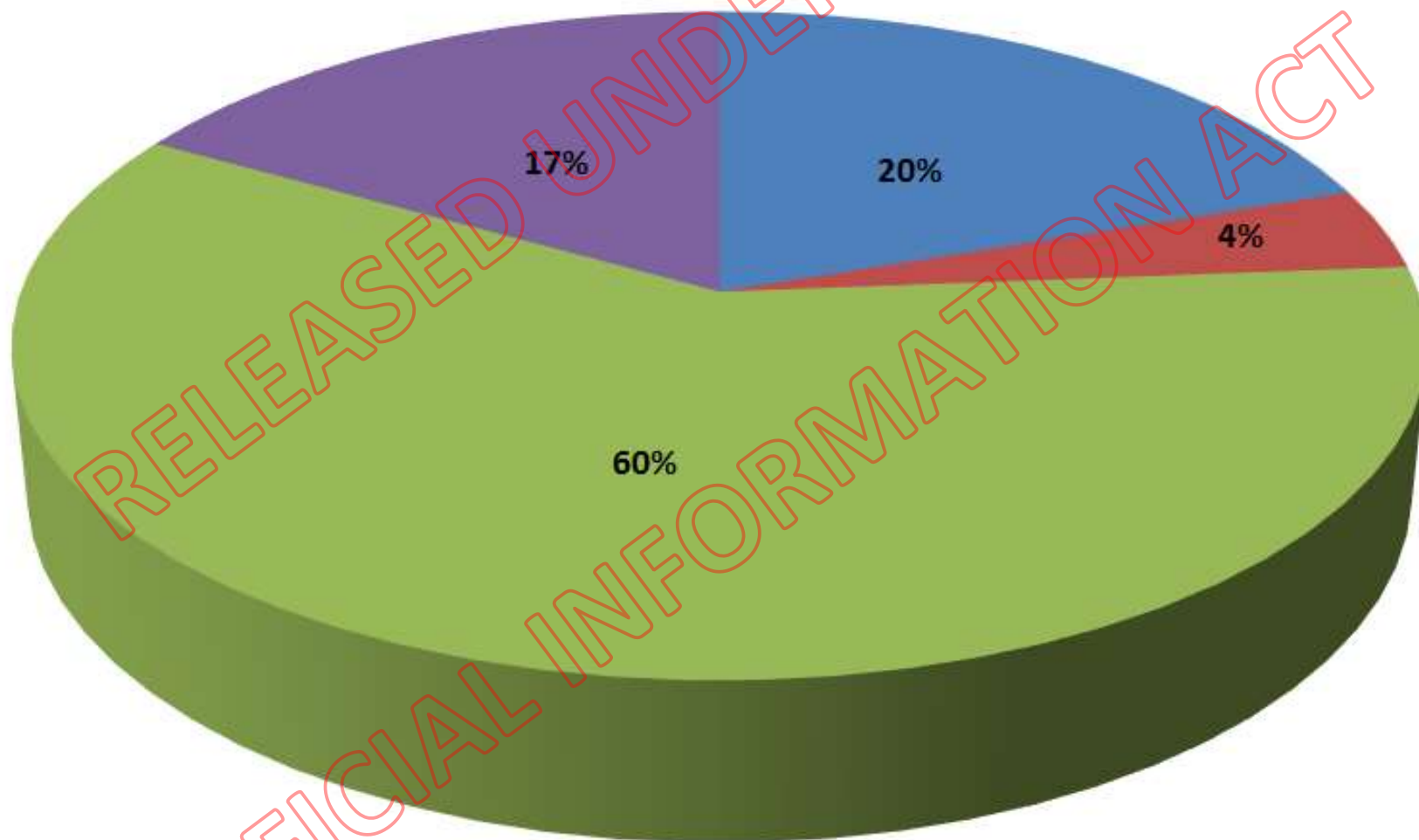
■ No wages ■ Minimum rate only ■ Wages - range of rates ■ Wages specified

Type of wage clause, central government (2018)



■ No wages ■ Minimum rate only ■ Wages - range of rates ■ Wages specified

Type of wage clause, local government (2018)



■ No wages ■ Minimum rate only ■ Wages - range of rates ■ Wages specified

Employment Relations Amendment Bill

16 Section 54 amended (Form and content of collective agreement)

(1) After section 54(3)(a)(i), insert:

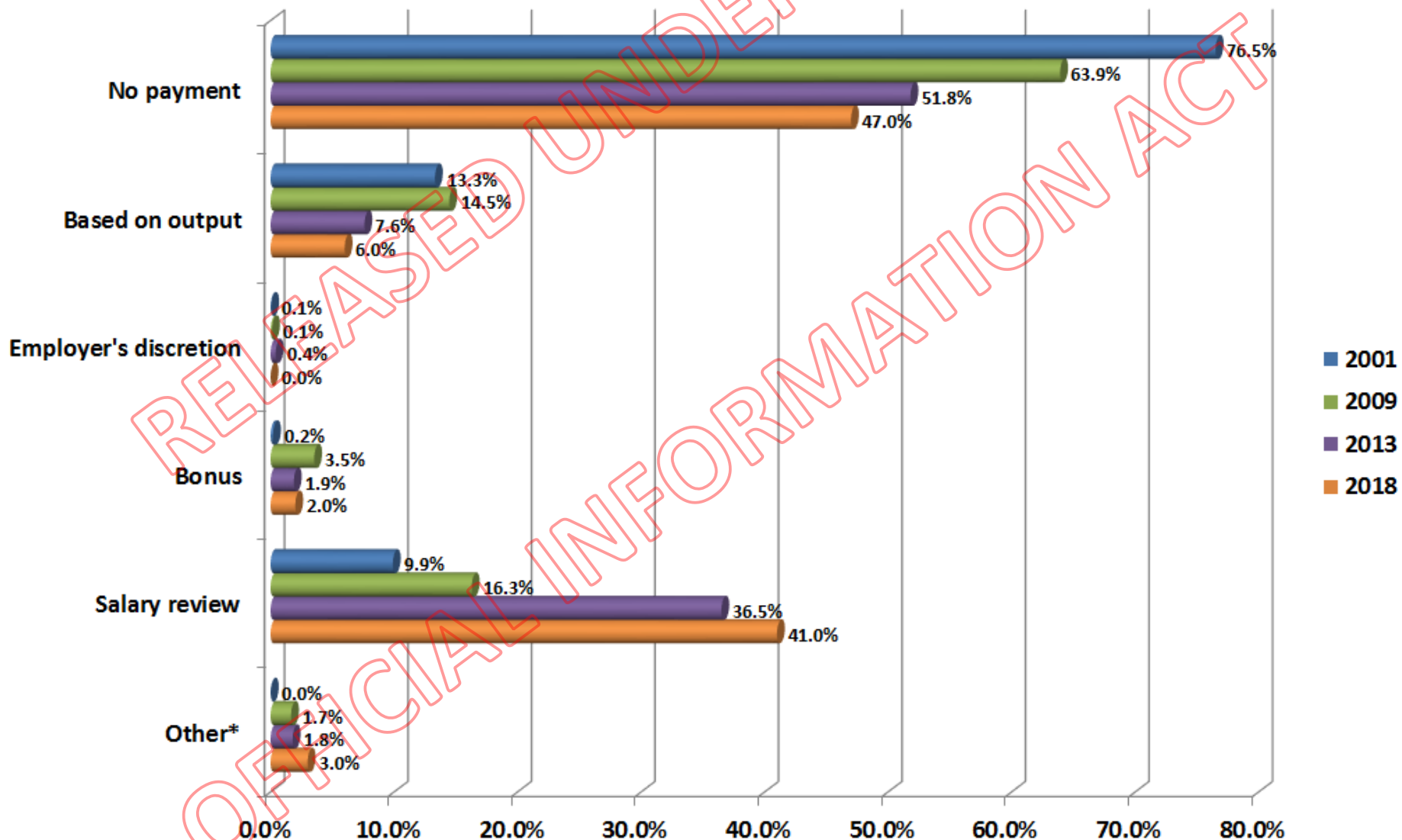
(ii) the rates of wages or salary payable to employees bound by the agreement; and

(2) After section 54(3), insert:

(4) For the purposes of **subsection (3)(a)(ii)**, a collective agreement **contains the rates of wages or salary payable to employees bound by the agreement if it—**

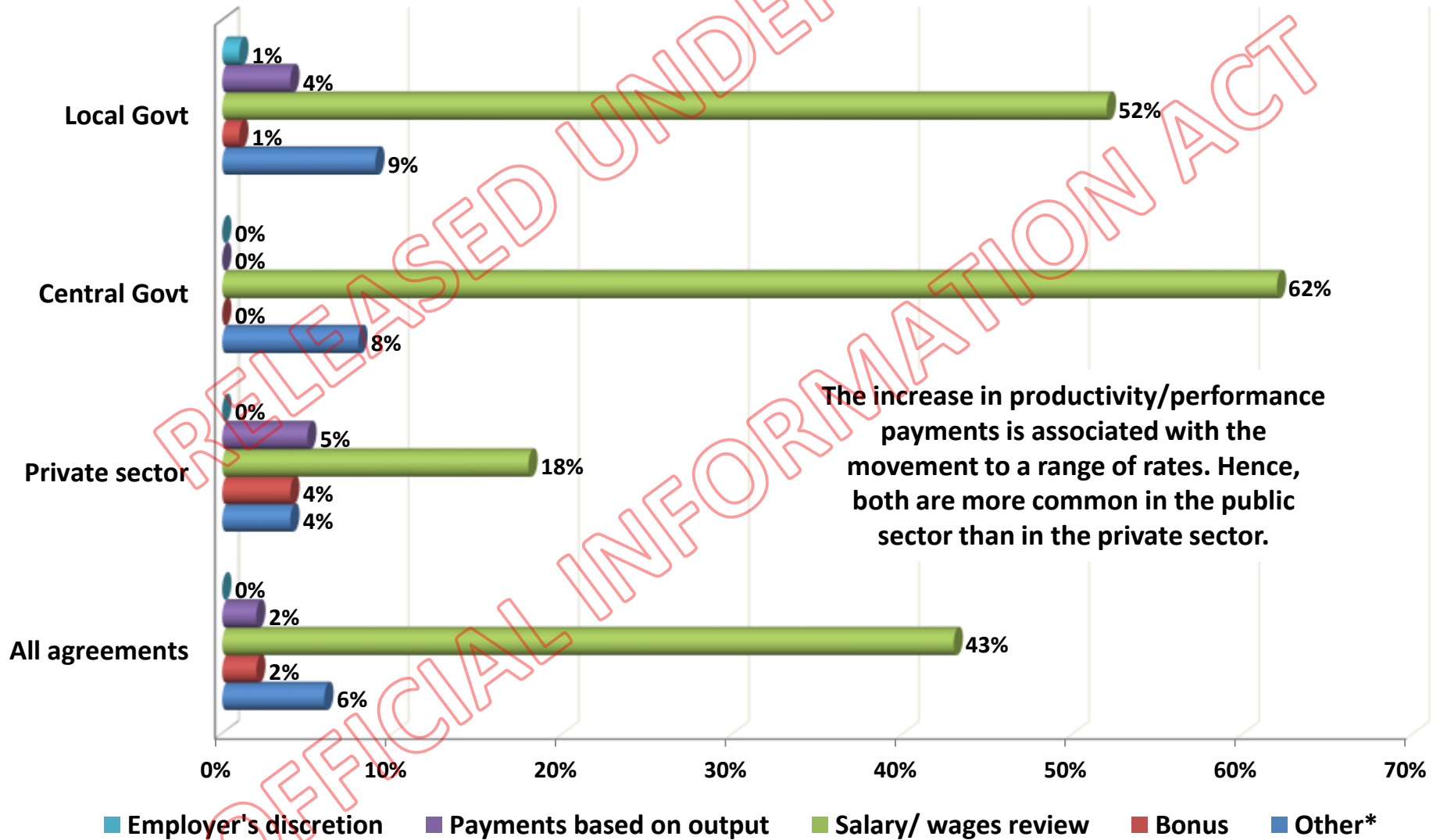
- (a) ~~contains the rates of wages or salary payable to employees if it provides, in relation to the work that the agreement covers, for, in respect of the employees bound by the collective agreement (whether by reference to the work or types of work done by the employees or by reference to named employees or types of employees),~~
- (i) the rates of wages or salary payable for certain work or types of work or to certain employees or types of employees; or
- (ii) ranges of the minimum rates of wages or salary payable for certain work or types of work or to certain employees or types of employees; or
- (iii) 1 or more methods of calculating the rates or minimum rates of wages or salary payable for certain work or types of work or to certain employees or types of employees; and
- (b) indicates how the rate of wages or salary payable to an employee bound by the agreement may increase during the term of the agreement.
- (b) ~~does not contain the rates of wages or salary payable to employees if it purports to—~~
- (i) ~~determine the wages or salary payable solely by reference to a document or process that is not part of the agreement;~~
- (ii) ~~give the employer sole discretion to determine the wages or salary payable for certain work or types of work or certain employees or types of employees.~~

Productivity/performance payments, selected years 2001-2018



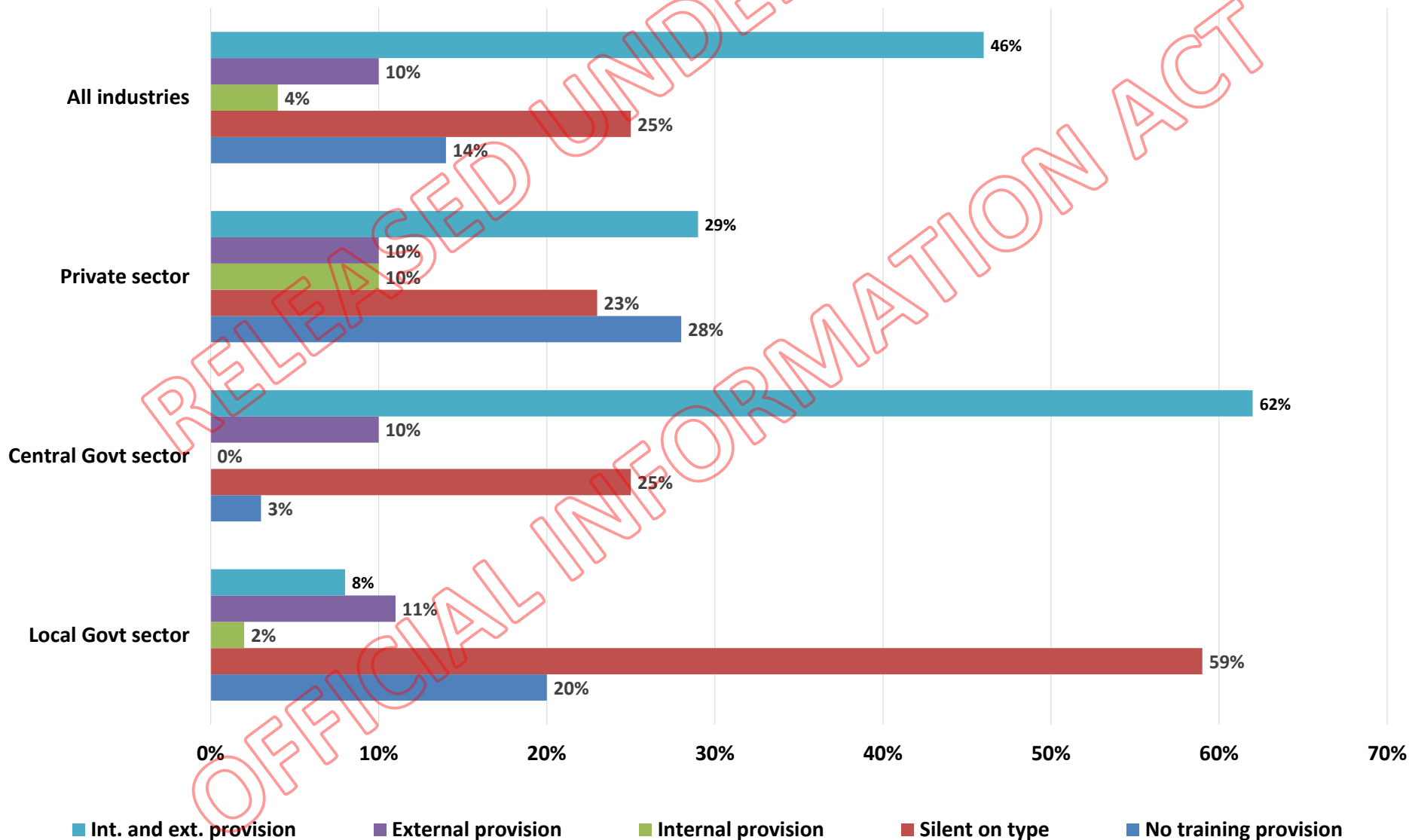
* Includes combinations of the output/bonus/salary review

Productivity/Performance Payments, Year to June 2018



* Includes combinations of the output/bonus/salary review

Types of training and skill development provision by sector, Year to June 2017



COLLECTIVE BARGAINING

—
Presentation by CTU and BNZ to FPA Working
Group 2018

- ▶ 1600 Private Sector CA's covering only 10% of Workforce
- ▶ 460 State Sector covering 60% of workforce
- ▶ Despite appearances over 90% of CA's are renegotiated without dispute or third party support.
- ▶ Even in partially unionized workplaces, the CA forms the platform

CURRENT STATE

- ▶ Transformational rather than transactional
- ▶ Part of a bigger and broader strategic relationship
- ▶ Good Faith and a genuine willingness to engage and negotiate

WHAT MAKES GOOD BARGAINING?

- ▶ Utilising principles in the above
- ▶ An outcome that both parties support that represents real improvement
- ▶ Builds and strengthens the relationship
- ▶ Efficient and respectful process
- ▶ Enhances the reputation of both parties
- ▶ May involve party support

WHAT DOES GOOD LOOK LIKE?

- ▶ Bad faith
- ▶ A winner and loser – unsustainable outcome
- ▶ A zero sum game
- ▶ Protracted process
- ▶ Worsening relationship

WHAT DOES BAD LOOK LIKE?

- ▶ Implications for industry and firms
- ▶ Implications for workers

CONCLUSIONS

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Effects on small business and the hospitality industry

Vicki Lee – Hospitality NZ CEO

Hospitality Challenges



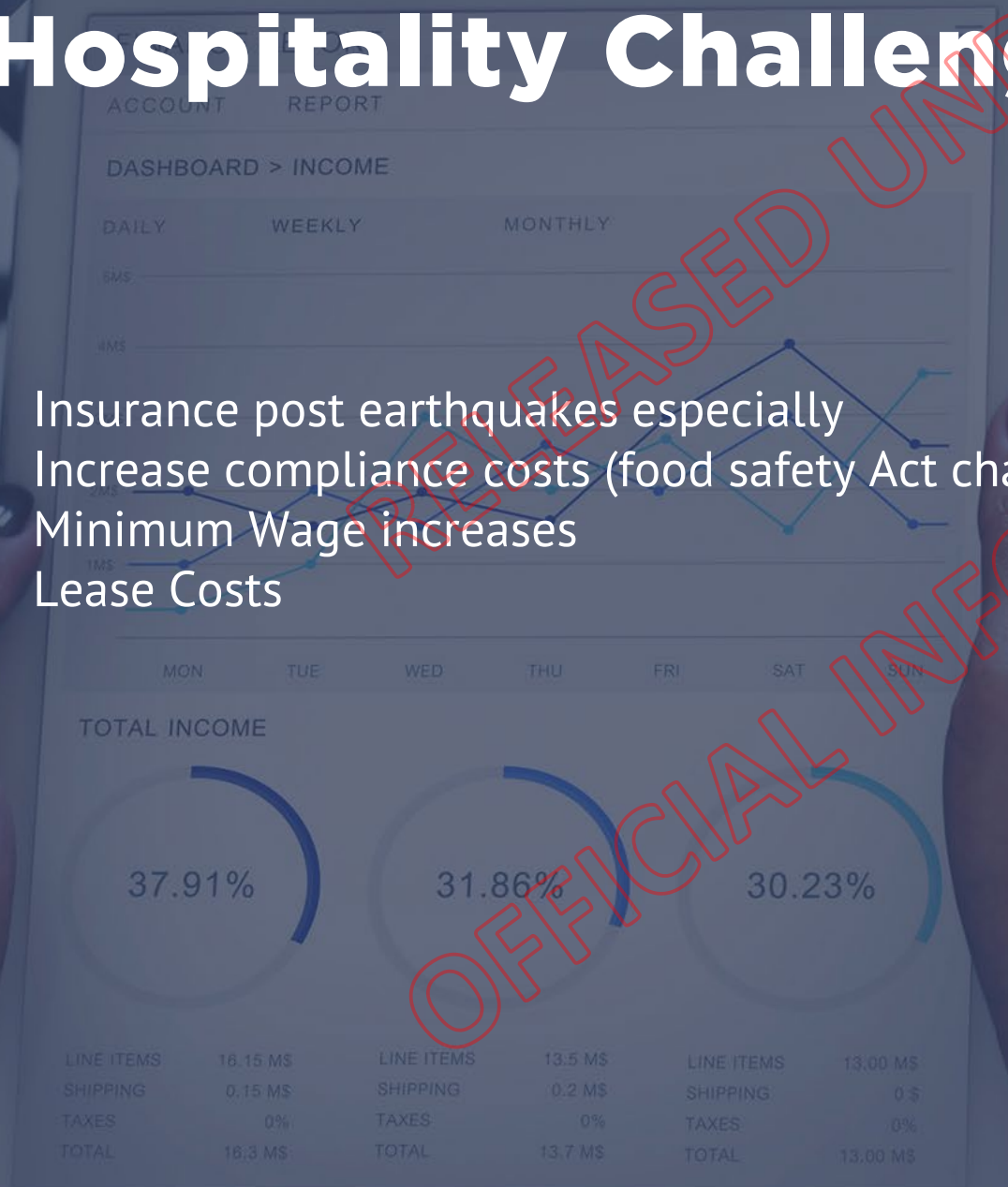
- Supermarket pricing \$7 gap
- Home Entertainment / My Food Bag
- Price Increases
 - Wages / Cost of Goods/ operating costs
- Refurbishment / Maintenance costs
- Debt repayment /Interest/Taxes
- Most businesses under capitalised
- Fuel Tax Auckland – Affects the price of goods to hospitality businesses
- Over regulation in the sector
- Under regulated competition (Airbnb, Uber)
- Targeted rates (Auckland/ Wellington) for accommodation sector

Hospitality Challenges continued..



- Insurance post earthquakes especially
- Increase compliance costs (food safety Act changes, health & safety act)
- Minimum Wage increases
- Lease Costs

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Targeted Rate Example

Auckland Motel



	Motel 1-14 Rooms Whangaparaoa	Motel 2-10 Rooms Papakura
2016/17 Rates	\$13,692	\$10,200
Capital Value	\$1.8 million	\$1.3 million
Proposed Targeted Rate	(CV x 0.01394584) \$26,148	(CV x 0.01394584) \$18,800
TOTAL NEW RATES per annum	\$39,840	\$29,000
% Increase in rates	290.1%	284.3%
Revenue and Profit		
Gross Revenue 2015/16	\$529,000	\$174,000
Rent to Landlord	\$132,000	\$48,000
Salary drawn down	\$52,000	\$14,800
Net Profit before Tax (excl. TR)	\$27,000	\$0.00
Less Targeted Rate	\$26,148	\$18,800
Net Profit before Tax (incl. TR)	\$852	-\$18,800
Associated reduction in business value	\$132,740	\$94,000

Turnover & Productivity in perspective



Hospitality	Good	Average	Poor
Turnover	\$2,000,000	\$2,000,000	\$2,000,000
Cost of Goods	33%	35%	36%
	\$660,000	\$700,000	\$720,000
Gross Profit	\$1,340,000	\$1,300,000	\$1,280,000
Wages	29%	30%	31%
	\$580,000	\$600,000	\$620,000
Rent	8%	10%	12%
	\$160,000	\$200,000	\$240,000
Overheads	20%	21%	22%
	\$400,000	\$420,000	\$440,000
EBITDA	\$200,000	\$80,000	-\$20,000
	10.00%	4.00%	-1.00%

Breaking It Down



	Good	Average	Poor
Turnover	10.00%	4.00%	-1.00%
BEER TEST			
Beer Sells for	\$10.00	\$10.00	\$10.00
	\$8.70	\$8.70	\$8.70
Based on EBITDA	\$0.87	\$0.35	-\$0.087
Refurbishment	\$300,000	\$300,000	\$300,000
Beer	345,000	862,500	6,900,000
Broken Glass	\$5.00	\$5.00	\$5.00
	5.75	14.38	115.00

Breaking It Down



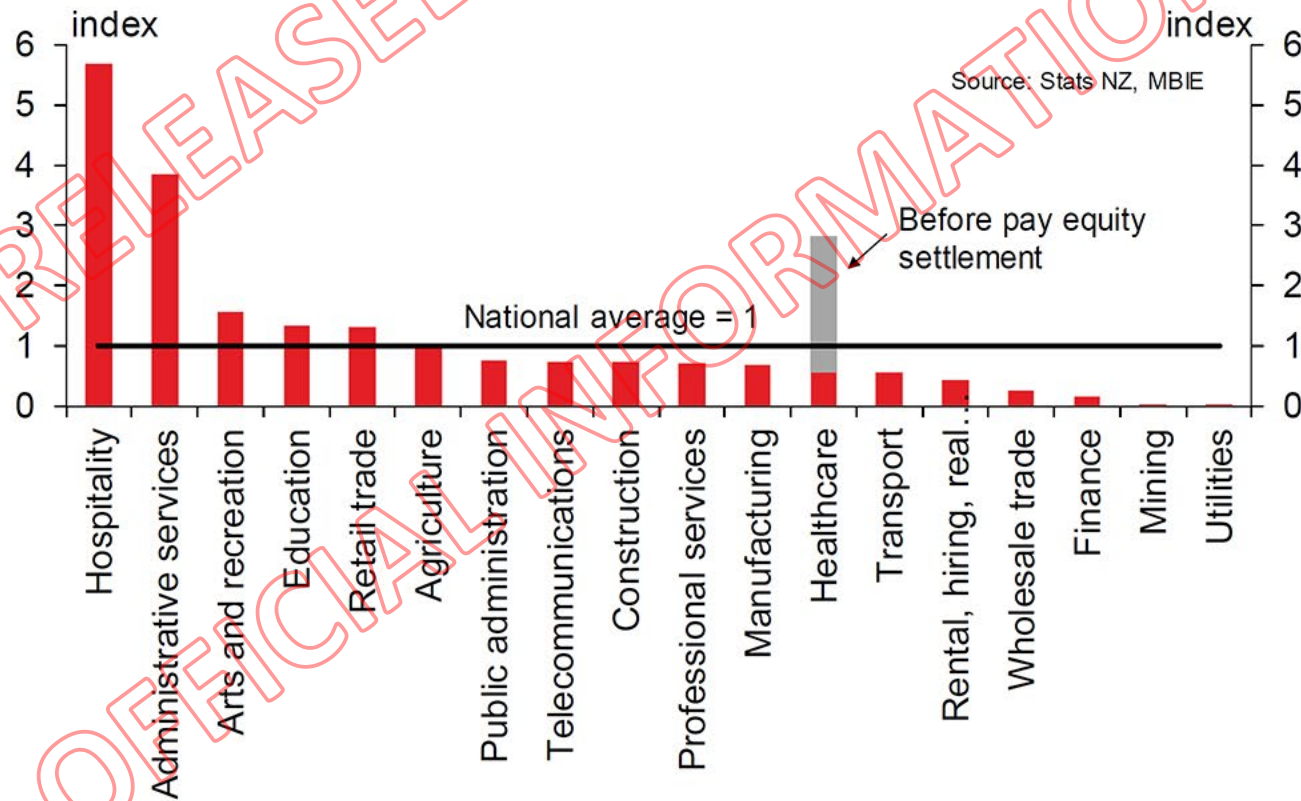
	Good	Average	Poor
Turnover			
COFFEE TEST	10.00%	4.00%	-1.00%
Coffee Sells for	\$4.60	\$4.60	\$4.60
	\$3.91	\$3.91	\$3.91
Based on EBITDA	\$0.87	\$0.35	\$0.04
Refurbishment	\$300,000	\$300,000	\$300,000
Coffee	345,000	862,500	6,900,000
Broken Cup	\$4.36	\$4.36	\$4.36
	5.01	12.46	50.12

Minimum Wage Impact



- Average 7% impact on EBIT. Changes in a good business from 10% to 3%.
- Other costs will increase as suppliers increase their costs.
- Regions will hurt when we are trying to grow them
- Prices will increase negating much of the benefit to workers.
- There will likely be an impact on tourism as NZ is already seen as an expensive destination.
- We will see price increases, reduction in volume or occasion,
- Fewer hours for part time workers (Westpac Report)
- and more liquidations.
- Possible positive – less competition.
- Bigger groups will come to the fore

Relative Exposure To Minimum Wage Hikes



Minimum Wage Options for SME's

- Cost Reduction
- Go broke
- Increase prices (has a proportional impact on volume doesn't help productivity)
- Become sales focused – commission, incentives, tipping.
- Relook at service options
- Reduce staff levels, hours worked (counter intuitive)
- Automation (no table service order at counter, text when order ready)

Minimum Wage

3 year impact

Motels / Hotels / Lodge



Region	Type of business	\$0.75 in Year 1 (2018) : \$15.75 to \$16.50	\$1.50 in Year 1 (2019): \$16.50 to \$18.00 (in theory)	\$2 in Year 3 (2020): \$18.00 to \$20.00 (in theory)	Total Increase in Costs over 3 years
Auckland	Lodge	\$18,720	\$67,080	\$154,440	\$240,240
Nelson	Lodge	\$0	\$48,422	\$132,662	\$181,085
Otago	Motel	\$6,240	\$12,480	\$16,640	\$35,360
Southland	Hotel	\$52,500	\$104,400	\$139,200	\$296,100
Wellington	Hotel	\$187,200	\$374,400	\$499,200	\$1,060,800

Minimum Wage

3 year impact

Bar / Restaurant



Region	\$0.75 in Year 1 (2018) : \$15.75 to \$16.50	\$1.50 in Year 1 (2019): \$16.50 to \$18.00 (in theory)	\$2 in Year 3 (2020): \$18.00 to \$20.00 (in theory)	Total Increase in Costs over 3 years
Auckland (Group)	\$245,000	\$648,000	\$864,000	\$1,757,000
Central Otago	\$0	\$54,000	\$108,000	\$162,000
Central Otago	\$0	\$29,000	\$58,000	\$87,000

Minimum Wage

3 year impact

Tavern



Region	\$0.75 in Year 1 (2018) : \$15.75 to \$16.50	\$1.50 in Year 1 (2019): \$16.50 to \$18.00 (in theory)	\$2 in Year 3 (2020): \$18.00 to \$20.00 (in theory)	Total Increase in Costs over 3 years
Marlborough	\$21,546	\$43,092	\$57,456	\$122,094
Marlborough	\$3,214	\$14,186	\$42,370	\$59,770
Nelson/Tasman	\$7,761	\$30,547	\$69,417	\$107,725
South Canterbury	\$11,534	\$41,278	\$88,676	\$141,488
Southland	\$2,174	\$15,467	\$48,981	\$66,622
West Coast	\$5,262	\$20,504	\$54,096	\$79,862

Who Is Affected By Minimum Wage?



Minimum wage earners are much more likely to be under the age of 25, to be in study, and to be working part time. Indeed, the evidence suggests that a large share of minimum wage workers are students working part-time jobs, who come from households across the entire income distribution. This is one reason why minimum wages are considered a poorly targeted way to address poverty or inequality. Another reason is that many of the lowest income households have no members in paid work, so do not benefit from a minimum wage.

*reference: Westpac report raising the bar the impact of minimum wage hikes 12/04/18

Who Is Affected By Minimum Wage?



Minimum wage workers are more likely than the average worker to be female, and of Maori or Pasifika descent. However, the distinction is not as sharp as the one by age. Migrants are no more likely than those born in New Zealand to be on the minimum wage, but for those who are, they tend to be more recent arrivals.

*reference: Westpac report raising the bar the impact of minimum wage hikes 12/04/18

Minimum Wage implications for SMEs



\$16.50 - \$20.00 by 2021

- ERA – Minimum wage legislation too restrictive on some SME sectors
- Doesn't help who we are trying to
- Doesn't drive productivity
- Counter productive regions will hurt
- Danger of unemployment increasing
- Wage growth not tied to productivity
- No training required or encouraged

Abatement Issues



Abatement issues need to be addressed NZ doesn't have a tax free bracket for low workers, some will find that a wage increase is offset by the abatement of working for families payments.

Productivity simply put



Productivity measures how well we do things in an economy

Productivity = Value (goods and services) that each employee creates per unit of their input

For example,

Jane is a baker who bakes 10 cakes (value) in an hour (unit).

Compared to:

John who is a baker too but only bakes 4 cakes (value) in an hour (unit)

If you increase productivity, a long-standing problem of New Zealand, you can increase wages.

Similarly, if you decrease productivity you will need to decrease wages

Preferred Recommendations for SMEs in potential FPAs



- **Progressive Wage Model** to drive any potential productivity growth
(Not minimum wage)
- **Skills, Training** - career pathways invested in, therefore wage growth linked to productivity

Hospitality New Zealand Career Map 2018

*Confidential - Not for distribution or publication



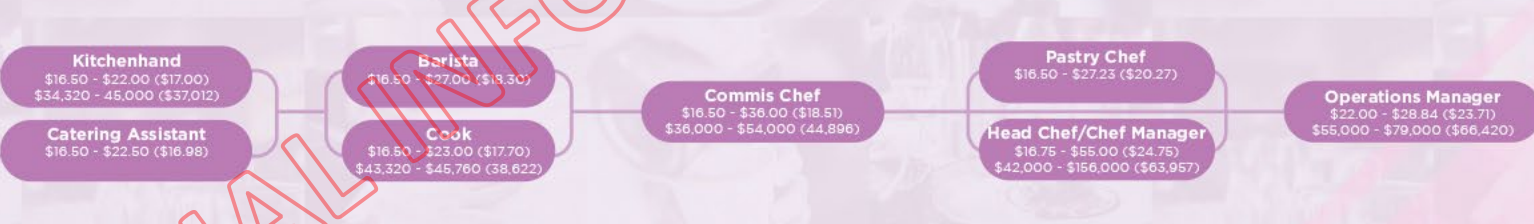
COOKERY



FOOD & BEVERAGE



CATERING



ACCOMMODATION



Potential SME FPA Training

- FBT / GST / Tax breaks for SMEs
- Meals
- Beverages (Tea, coffee etc)
- Uniforms (clothing/shoes)
- Employee training / Employer train/upskill to grow wages



FPAs should encourage Employers to be members of their relevant associations

- Encourage membership to a business association to
- Upskill employers
- Encourage ongoing training
- Access business improvement data/benchmarking studies
- Improve Employment Law knowledge and compliance
- Adhere to a strict code of ethics
- Improve business skills and compliance training

Recap summary



- Coverage - recommend Opt Outs for certain SME sectors
- Look at productivity based - Progressive Wage Pathways similar to Singapore instead of minimum wage increases in certain sectors with clear targets to improve productivity
- The working Group need to review our thoughts on 5.1 and 5.3 of the Objectives in the terms of reference when considering SME impacts