

From: [Cassie Botha](#)
To: s47F
Cc: [Monica Vagg](#); [Vanessa MacBean](#)
Bcc: [LEGAL - Buyout review 2020 - 20130021 Emails](#)
Subject: RE: Query regarding recent ABC correspondence [SEC=OFFICIAL] [ABC-PAL.FID37968]
Date: Monday, 11 January 2021 1:18:17 PM
Attachments: [image001.png](#)
[image002.png](#)
[ABC review into Buyouts and Band 1 classifications - employee email sent - 6 January 2021.pdf](#)
[FAQs - ABC review into buyouts and Band 1 classifications.pdf](#)

Dear s47F

Thanks for your email and confirming that we will wait to hear from your office about organising a meeting in the next few weeks.

In the meantime, please find copies of an employee email and Frequently Asked Questions document that we circulated last week. The relevant unions have also been provided with copies of these communications.

I trust that you will find the FAQs helpful but please let me know if you have any other questions you'd like us to prepare responses for ahead of our upcoming meeting.

Kind regards,
Cassie



Cassie Botha
Employment Counsel
People & Culture
P: 02 8333 4354
M: 0409 833 564

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From: s47F
Sent: Friday, 8 January 2021 1:11 PM
To: Cassie Botha <Botha.Cassie@abc.net.au>
Cc: Monica Vagg <Vagg.Monica@abc.net.au>; Vanessa MacBean <Macbean.Vanessa@abc.net.au>
Subject: RE: Query regarding recent ABC correspondence [ABC-PAL.FID37968] [SEC=OFFICIAL]

OFFICIAL

Hi Cassie

Thank you for your email and time on the phone earlier today.

As discussed, we will reach out soon about organising a meeting.

Regards

s47F

Enforcement

FAIR WORK OMBUDSMAN

s47F

GPO Box 9887 Melbourne VIC 3001 | Level 14, 414 La Trobe Street, Melbourne VIC 3001

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From: Cassie Botha <Botha.Cassie@abc.net.au>

Sent: Thursday, 7 January 2021 3:35 PM

To: s47F

Cc: Monica Vagg <Vagg.Monica@abc.net.au>; Vanessa MacBean

<Macbean.Vanessa@abc.net.au>

Subject: Query regarding recent ABC correspondence [ABC-PAL.FID37968]

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Dear s47F

Thank you for the enquiry about the ABC's recent correspondence to Brodie Smith, Executive Director – Enforcement regarding the ABC Review into Buyouts and Band 1 classifications.

I understand that you are seeking to clarify any changes to the approximate numbers of employees that the ABC is reviewing, specifically during Phase 0 (50 employees) and Phase 1 (400-500 employees) of the review.

I can confirm that the total number of employees being reviewed was initially estimated as 2,000-2,500, referred to in the Phase 1 section on page 3 of the PwC methodology document provided to the Fair Work Ombudsman on 7 August 2020. For ease of reference, I've attached copies of the methodology and our correspondence on 7 August 2020 to this email.

The reference to 400-500 employees, also in the Phase 1 section on page 3 of the PwC methodology document, relates to the estimated number of employees being reviewed who also require a classification review.

The number of employees who require a classification review is a subset of the estimated total number of employees being reviewed and relates specifically to the Band 1 classification cohort. The Band 1 cohort require both a file review and a classification review. The Buyout cohort do not require a classification review.

As part of the work we have undertaken on the review, we have refined our initial estimate of 2,000-2,500 to 1,965 employees across both cohorts. There are 1,706 employees in the Buyouts cohort and 256 employees in the Band 1 cohort.

I trust that this resolves your query but please do not hesitate to contact me if you have any further queries.

Kind regards,
Cassie



Cassie Botha
Employment Counsel
People & Culture
P: 02 8333 4354
M: 0409 833 564

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ABC REVIEW INTO BUYOUTS AND BAND 1 CLASSIFICATIONS

Frequently Asked Questions

January 2021

GENERAL

1. What is this review about?

The ABC takes very seriously its obligations to ensure all employees are paid correctly. The recent [Flat Rate Casual Remediation](#) has highlighted the need to regularly review the wages and other entitlements of ABC employees to ensure that these obligations are being met. That is why the ABC is reviewing the wage records of employees who have been paid a buyout and employees engaged at a Band 1 classification to ensure that they have and are being paid the correct amounts under the current and former ABC Enterprise Agreements.

2. How long will the ABC's review take?

It's expected the review will take at least several months to complete. We are reviewing payroll records for all potentially affected employees and this requires time to ensure we are as thorough as possible. We are notifying current and former employees who are included in the review and will keep you informed.

3. How many Band 1 and/or buyout employees are being reviewed?

Currently we are reviewing buyouts for approximately 1700 current and former employees, and approximately 250 current and former employees who are or were classified at Band 1, and who were engaged by the ABC since 1 July 2014.

4. What do I have to do?

You do not have to do anything at this stage. You should have received an email notifying you of the review and we are committed to keeping you informed as the review progresses.

5. Will I be included in the ABC's review if I am no longer an ABC employee?

Everyone employed by the ABC at Band 1 or who was paid a Buyout from 1 July 2014 until the review is completed will be included in the review.

6. Do I need to be part of the union or contact the union to be included in the ABC's review?

No. The ABC is including all employees in the review who were engaged as a Band 1 employee or paid a buyout from 1 July 2014 until the review is completed. However, you can contact the MEAA or CPSU at any time. The ABC will be meeting and corresponding with both the MEAA and the CPSU about this issue.

7. Who will be conducting the review?

The review will be conducted on an organisation-wide basis and will include people from People & Culture, Finance and Payroll Services as well as managers of employees who are being reviewed. We have also engaged Price Waterhouse Coopers (PwC) to assist.

8. Why has the ABC engaged PwC?

Given the size and complexity of the review, the ABC has engaged PwC to assist with the review based on their experience and capabilities in undertaking this type of work.

9. Has the Fair Work Ombudsman been notified of the ABC's review?

Yes. The Fair Work Ombudsman has been notified that we are conducting a review of Band 1 employees and employees on buyouts.

BAND 1 CLASSIFICATION REVIEW

1. What is a Band 1 classification?

All employees covered by the ABC Enterprise Agreement must be assigned to a role that is correctly classified and graded according to the Work Level Standards (WLS). The WLS provide a framework for valuing work. They indicate the standards for each of the nine salary bands and provide guidance on the tasks, activities and capabilities required for different functions and roles.

Under the WLS, roles are classified as either:

- Content Maker
- Administrative/Professional
- Technologist

Roles which are classified as Content Maker or Administrative/Professional are graded from Band 1 to Band 9. Technologists are not permitted to be engaged at Band 1 and the ABC has already completed a review of Band 1 Technologists.

2. Why is the ABC reviewing Band 1 classifications for employees engaged in Content Maker or Administrative/Professional roles?

Band 1 is generally the most appropriate classification for an entry level employee with no prior relevant experience. The duties they are assigned are basic and they are closely supervised while they perform the role. Once a Band 1 employee has acquired sufficient experience and new skills, it will often be appropriate for them to be assigned to a higher band classification.

As the WLS don't set a specific time frame when progression to a higher band level must occur, this can result in a Band 1 employee being underpaid if their classification is not reviewed at the correct time.

3. How do I know if I was on Band 1?

You should check your ABC employment contract or engagement letter for specific details of the role and WLS classification you are currently engaged on. If you have been engaged to perform more than one role with the ABC, you will need to check all previous and current engagement letters.

Alternatively, you can contact People & Culture and ask them to check your employment history with the ABC to see if you have ever been engaged on a Band 1 classification.

4. I was previously in a Band 1 role - will I be included in the ABC's review?

Yes. Everyone who has been in a Band 1 role at any point in time during the review period (from 1 July 2014 until the review is completed) is included in the ABC's review, even if you are no longer an employee or no longer in a Band 1 role.

5. How is the ABC going to conduct the review?

The review will involve confirming the period/s you were engaged at Band 1 and then confirming whether a Band 1 classification was appropriate for the role you were performing during that time.

BUYOUT REVIEW

1. What is a buyout?

The ABC engages some of its employees on annualised salaries, known as 'buyouts'. A buyout is an annual agreement in which an employee agrees to be paid a fixed loading (a buyout) in lieu of other entitlements for hours of work, rosters and changes to rosters, special rates, shift penalties, overtime and/or allowances. An employee who is paid a buyout must receive at least four free days per fortnight, and they must be better off on the buyout than they would be if they were paid penalties, overtime, allowances, etc under the ABC Enterprise Agreement.

2. Why is the ABC reviewing buyouts?

The appropriate amount of fixed loading (buyout) is determined through an estimate of the payments an employee would be entitled to based on the pattern of hours it's expected that they will work for the 12 months ahead. Because a buyout is based on estimated hours, if an employee's pattern of hours changes unexpectedly throughout the year, their buyout needs to be reviewed to ensure that the employee is still better off overall.

The ABC is reviewing all buyout arrangements since 1 July 2014 to ensure that this 'better off overall' requirement has been met for each employee paid a buyout.

3. Why does the ABC use buyouts?

Buyouts are permitted under the ABC Enterprise Agreement and can provide benefits to both the ABC and the relevant employee. A buyout arrangement can provide the ABC with rostering and resourcing flexibility in relation to an employee who experiences large fluctuations in the hours they work throughout the year. The same employee benefits by receiving a consistent salary throughout the year, regardless of the hours they work.

4. Will I be included in the ABC's review if I am no longer on a buyout and/or no longer an employee?

Yes. Everyone who has been on a buyout at any point in time during the review period (from 1 July 2014 until the review is completed) is included in the ABC's review, even if you are no longer an employee or no longer on a buyout.

5. Is the ABC going to stop the use of buyouts?

The ABC does not intend to completely stop the use of buyouts. There are situations where buyouts are suitable, for example for employees who have fluctuations in hours during the year so they receive a consistent salary from fortnight to fortnight.

FURTHER INFORMATION

If you have any other questions about the review, please email the People & Culture Helpdesk (peopleandculture@abc.net.au).

From: [People & Culture](#)
To: [People & Culture](#)
Subject: ABC review into Buyouts and Band 1 classifications
Date: Wednesday, 6 January 2021 12:18:46 PM
Attachments: [FAQs - ABC review into buyouts and Band 1 classifications.pdf](#)

Dear colleagues,

The ABC takes very seriously its obligations to ensure all employees are paid correctly. We have commenced a review of employees who have been paid a buyout or were engaged on a Band 1 classification to ensure that they have been paid the correct amounts under the current and former ABC Enterprise Agreements.

You are receiving this email because you are or were engaged as a Band 1 employee or were on a buyout between 1 July 2014 and now.

Buyout review

We are undertaking a review of employees who were paid a buyout to confirm whether they were better off on the buyout than if they were paid penalties, overtime and allowances under the enterprise agreement during the review period. This review will include approximately 1700 employees who were on a buyout during the review period.

Band 1 classification review

We are also undertaking a review of employees engaged at Band 1 to confirm whether a Band 1 classification was appropriate for the work that was performed. This review will include approximately 250 employees engaged at Band 1 during the review period.

Timing

We are working hard to complete the review. However, it is expected the review will take several months.

Given the size and complexity of the review, the ABC has also engaged Pricewaterhouse Coopers (PwC) to assist with the review.

We are committed to keeping you informed as the review progresses.

Questions

Please find attached Frequently Asked Questions, which address some of the questions you may have. If you have any additional questions, please email peopleandculture@abc.net.au.

If you know someone who worked at the ABC as a Band 1 employee or was on a buyout in the review period, and has not received this email, please ask them to contact us at peopleandculture@abc.net.au.

Kind regards,

Monica Vagg

	<p>Monica Vagg a/Chief People Officer People & Culture</p>
	<p>We acknowledge Aboriginal and Torres Strait Islander peoples as the First Australians and Traditional Custodians of the lands where we live, learn and work.</p>

