Pandemic Pay Insights

MINING AND METALS WORKFORCE APPROACHES

A quick read exploring the key actions mining and metals corporations in Australia are implementing in response to the COVID-19 crisis as at 31 March 2020.





SUMMARY

While the Coronavirus was confirmed to have reached Australia in January 2020, many businesses with international operations had already felt its impacts and commenced planning, long before the first reported cases at home.

REMSMART are proud to deliver Pandemic Pay Insights, an initiative that brings together our collaborative mining and metals subscribers and extended network to achieve greater, more rapid knowledge sharing and technical approaches to human resource planning and remuneration strategies during the COVID-19 response.



RESPONDENT PROFILE



- Respondents included miners in different stages of maturity from project developers, through to large producers
- Respondents voluntarily participated as either a REMSMART subscriber or member of the Australia Africa Minerals and Energy Group (AAMEG)
- Confidentiality of individual responses has been maintained



GENERAL TRENDS



Summary of COVID-19 response practices reported to 30 March 2020.

- While the majority of organisations have a pandemic plan, more than 20% had not yet initiated a response, this is significant
- Of the organisations with a response plan, over 50% made it companywide, while around **10% initiated a COVID-19 task** force and 5% an HR plan
- Response plans were widely communicated via email, intranet or formal training
- Over 90% initiated new workplace hygiene standards including: hand sanitiser stations, increased availability of hygiene supplies, no hand-shaking, temperature screening, additional cleaning and education. On FIFO sites, staggered mealtimes, closure of wet mess halls and minimising face to face meetings were common tactics.
- 20% still allowing non-essential visitors to site
- 31% reported having on-site medical facilities, capable of isolating and treating infected patients



REMUNERATION AND WORKPLACE TRENDS



Summary of COVID-19 response practices reported to 30 March 2020.

- An equal proportion of the workforce, around 33% were reported to have the opportunity to work from home as those who didn't
- Potential approaches to remunerating employees during a lockdown were mixed, with more than a third of businesses (40%) planning to pay pre-Corona wages, and the majority either planning for a mix of pay and leave, or other measures including staggered salary reductions, stand downs and redundancies.
- For on-site employees, the majority of organisations were preparing for reduced allowances to keep more employees in a job



PANDEMIC PAY OPPORTUNITIES

The current instability of our global economy and speed of change locally is going to continue, if not increase over the next few months, and as such, businesses will be forced to introduce new pandemic pay measures to minimise loss of workforce during this time.

The following considerations could support greater retention and wealth distribution tactics if implemented together, or in part:

Reduce Fixed Remuneration

- Mutually agreed pay reductions
- Consider available JobKeeper grants

Equity in Lieu of Fixed Pay

- Incentives can be shared with individuals who helped create it
- Possible workforce wide approach

Variable Pay vs. Value Creation

 Consider incentives for efficiencies, working smarter, saving costs etc.

Reduction in Hours

- An alternative to redundancies
- Communicate potential shortened hours to retain staff

Longer Rostered Swings

 Longer swings could protect against spread of infection onsite and in the community

Reduced Allowances

 As an alternative to terminating staff



Pandemic Workforce Prototype









Protect Employees

minimise spread of the virus

Show Stewardship

take timely action using the data at hand, at the time

Build Trust

regular, transparent communication goes a long way

Equity

be honest providing service in an equitable manner, including the special needs, cultural values and religious beliefs of a diverse workforce

Reciprocity

when individuals are asked to perform duties for the benefit of the company, ensure their acts are appropriately recognised

Events

cancel both internal and external gatherings and remodel to a virtual meeting

Social distancing

enforce social distancing measures when coming together is essential

Remote working

if working from home is possible, enable your teams to do so now

FIFO

consider changing roster patterns for greater risk reduction

Clarity

focus on distribution of the latest information, dedicate time to communicating expectations and changes direct to an employee's inbox or phone

On-site resources

where people are still required to attend work, lift awareness through visual posters and materials

Etiquette

develop site specific policies and online training around hygiene practices that make sense for your business, don't just redistribute generic information

Mental Health

recognise there will be significant emotional strain experienced at all levels of the workforce, put initiatives in place to improve connectedness and support

Empowering HR

give human resource managers a leadership seat to drive decision-making and information sharing

Employee Assistance Programs

remind employees of the immediate counselling support available where an EAP program exists





YOUR COVID-19 REMUNERATION TEAM

We encourage you to reach out should you have any further questions or concerns pertaining to corporate remuneration and incentive programs.



ALLAN FEINBERG MANAGING PARTNER +61 418 575 725 allan@remsmart.com.au



CHARMAINE REAY
OPERATIONS DIRECTOR
+61 410 541 091
charmaine@remsmart.com.au

