# Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2024

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10 May 2024

Committee Secretary Education, Employment, Training and Skills Parliament House George Street Brisbane QLD 4000

By email: <u>EETSC@parliament.qld.gov.au</u>

Dear Committee Secretary,

### Submission on the Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2024

Thank you for the opportunity to provide feedback on the Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2024 (**Bill**).

The Local Government Association of Queensland (**LGAQ**) is the peak body for local government in Queensland. It is a not-for-profit association established solely to serve councils and their needs. The LGAQ has been advising, supporting, and representing local councils since 1896, enabling them to improve their operations and strengthen relationships with their communities. The LGAQ does this by connecting councils to people and places; supporting their drive to innovate and improve service delivery through smart services and sustainable solutions; and providing them with the means to achieve community, professional and political excellence.

In Queensland, there are 77 local governments representing a diverse range of local communities each facing unique and complex challenges. Queensland is home to some of the largest councils in Australia (including by population and area) along with many located in rural, remote and first nation communities.

This submission has been drafted in consultation with Queensland councils and represents their views on the proposed changes to Queensland's public sector workplace laws.

In making our submission, we have addressed the most relevant proposed amendments for the Committee's consideration.

# Amendments to the Industrial Relations Act 2016

The LGAQ is not opposed to the following amendments in the Bill:

Explicitly referencing in the Queensland Employment Standards the existing obligation
whereby employers must make superannuation payments to their employees. This is to
align with the National Employment Standards following changes made by the Fair Work
Legislation Amendment (Protecting Worker Entitlements) Act 2023.



Increasing the allowable number of flexible unpaid parental leave days from 30 to 100 under section 87B of the IR Act, in line with changes made by the Protecting Workers Entitlements Act and to enable parents to take full advantage of the now fully-flexible Commonwealth Paid Parental Leave scheme.

# Wage recovery - small claims threshold

The LGAQ notes the amendments in the Bill seek to increase the claims threshold for unpaid wages claims taken to the Queensland Industrial Relations Commission (QIRC) from \$50,000 to \$100,000.

The underpaying of employees' wage and entitlements is unacceptable, particularly where the underpayment is of a deliberate nature. Queensland local councils have an excellent reputation as being a responsible employer offering unique benefits and opportunities to its 45,000 plus employees.

The LGAQ supports a small claims process that is available to employees as a mechanism to ensure wage recovery is efficient, simple and low-cost.

The Bill expands the small claims jurisdiction from \$50,000 to \$100,000, which is a considerable increase. The LGAQ is aware that the proposed amendment mirrors the recent amendments introduced by the Federal Government<sup>1</sup>, which had the effect of increasing the small claims threshold from \$20,000 to \$100,000 which is intended to ensure all Queenslanders have access to the same small claims wage recovery process. While the LGAQ has reservations about the substantial increase in the monetary cap threshold, it is our view that it is only fair that Queensland public sector workers benefit from the same entitlements as those nationally.

#### However, we point out the following:

- Parties are prohibited from legal representation in "small" claims proceedings,<sup>2</sup> which is problematic given the wages being recovered cannot be considered small by any means. \$100,000 is a substantial sum of money, which should entitle a defendant to the benefit of legal representation. As such, consideration should be given to the fact that an increase of the monetary cap for a "small" claims proceeding to \$100,000 currently does not allow for legal representation.
- The substantial increase of the monetary cap will inevitably lead to more claims. Responding to a claim of up to \$100,000 is costly and time consuming and a claim of such a substantial amount has the potential to negatively impact councils, particularly the 48 of Queensland's 77 councils who are financially unstable.
- These small claims are dealt with informally (noting the Commission is not bound by rules of evidence)<sup>3</sup>. This principle is not considered problematic when responding to a small unpaid wages claim of \$50,000 or less, however, understandably there is some hesitancy from councils about the informal nature of proceedings for claims of \$100,000 or less.

<sup>&</sup>lt;sup>1</sup> Following changes made by the Fair Work Legislation Amendment (Secure Jobs Better Pay) Act 2022.

<sup>&</sup>lt;sup>2</sup> Industrial Relations Act 2016 s 530(1A)(2)(b).

<sup>&</sup>lt;sup>3</sup> Industrial Relations Act 2016 s 531.



# Amendments to the Labour Hire Licensing Act 2017

The LGAQ supports the removal s 69(4) of the *Labour Hire Licensing Act 2017* (**LHL Act**) which breaches ss 31 and 32 of the *Human Rights Act 2009* (**HR Act**) by potentially requiring a person to incriminate themselves.

The LGAQ is not opposed to the amendments in the Bill allowing for the general service of all notices issued under the LHL Act via electronic service (email). However, the service of notices either in person or via post, in line with s 39 of the *Acts Interpretation Act 1954* should be the primary mode of service in cases where this is reasonably practicable. This is because rural and remote local government areas can often have poor internet connectivity and are at higher risk of not receiving the documents served.

Yours sincerely,



Darren Leckenby A/Chief Executive Officer