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Our Ref	A11899832
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Date	15 May 2015

Research Director
Finance and Administration Committee
Parliament House
George Street
BRISBANE QLD 4000

Email: fac@parliament.qld.gov.au

Dear Sir/Madam

**SUBMISSION ON THE INDUSTRIAL RELATIONS (RESTORING FAIRNESS) AND
OTHER LEGISLATION AMENDMENT BILL 2015**

I write to you regarding the Industrial Relations (Restoring Fairness) and Other Legislation Amendment Bill 2015. I understand this Bill has been referred to Committee for their consideration and report back to Parliament by 1 June 2015.

I should start by noting Council's utmost respect for the parliamentary system and the right for the government of the day to make legislation in whatever way it sees fit. This submission simply seeks amendment of one aspect of the Bill, notably to remove provisions that allow the early termination of current certified agreements.

Council seeks an amendment of the transitional provisions as set out in the proposed new Part 20 (notably Division 3, Provisions for certified agreements). Under these provisions, a nominal expiry date, set at three months after the Industrial Relations Commission's review and variation of the relevant modern award, will be applied to certified agreements already made in connection with a modern award.

As you may be aware, our Council has a certified agreement (EBA3) in place which was agreed to under the modern award provisions. Voting for the proposed EBA3 was finalised on Friday 28 November 2014, with a **92.2% vote in favour of the agreement**. This agreement was then certified on 22 December 2014, with an expiry date on 30 June 2018. It should be noted the first pay increase under the agreement was backdated to 1 July 2014 with payment occurring in the first pay period following the vote. Further annual increases are scheduled to occur on 1 July each year.

The bill provisions allow the substitution of an expiry date well in advance of the expiry date agreed between the Council and staff.

Whilst we recognise the Government's desire to amend the industrial relations system, Council is very concerned that the transition provisions in the Bill allow the early termination of a legally binding agreement voted for by more than 90% of our workforce, including union members. Not only does it disrespect the choice they freely made, it also impacts whatever personal decisions they may have made in the assurance that the EBA was guaranteed in place for four years. As an example, our current EBA3 provides allowances for our staff (particularly our external workforce) which are significantly higher than the former awards. This was achieved by having a special MBRC allowance which saw all affected staff receive an increase of between 1 and 29% in their allowance income over a 12-month period. If the EBA were to need renegotiation, this income would be at risk and/or potential costs associated with further increases would heavily impact on Council's budget - and associated rates - or put pressure on staffing levels.

I also recognise that on face value it may appear that the implications of s847 will benefit our staff by allowing them to negotiate for conditions not available under the modern award. However, this is not correct in that those conditions are already secure for our staff. All Council staff who voted in the EBA process have a legally binding letter which secures every non-allowable entitlement they enjoyed from our former EBA. This includes union training leave, generous redundancy provisions, organisational change provisions as well as provisions related to home depots and positive employment relations. Furthermore in EBA3, every staff member maintained their existing classification levels and increments and access to RDO arrangements.

More fundamentally, the Bill provisions allowing the early termination of EBA3 strike at the basic legal principle that binding agreements between parties are certain and not subject to change other than by agreement between the parties.

Finally, it is noted that in drafting this Bill, consultation has been undertaken with the Queensland Council of Unions as the peak body for unions, as well as individual unions themselves. Conversely, consultation with local government was only held with the peak body (Local Government Association of Queensland), not the individual councils individually affected by the proposed Bill. Therefore the detailed issues faced by this Council (the third-largest local government in Australia) and the potential negative impacts on staff were not considered in its drafting.

Given these issues, and the fact that the Bill and associated information do not evidence a clear need to terminate existing certified agreements, Council seeks this provision be removed and existing certified agreements be allowed to operate for the term agreed between the parties.

It should be noted that Council offers no opposition to the proposal to insert provisions which allow the State Government to introduce a regulation to vary existing EBAs to reinstate previously non-allowable content and organisational restructure conditions. This would not substantially affect Council staff because Council preserved these matters through the legally-binding letter that I referred to (which ensures these conditions are maintained).

In closing, I reiterate Council remains very supportive of its workers and associated pay and conditions. The EBA negotiated with staff (and the associated legally-binding letter from Council) provided our staff with the same conditions as was available to them under the former EBA. It seems counterproductive to force these staff back to negotiate on an agreement they overwhelmingly agreed to less than six months ago. Accordingly Council respectfully submits that any provisions that would allow the early termination of current certified agreements should be removed from the Bill.

I would appreciate an opportunity to represent Council's views when the committee hearing on this matter takes place.

Yours sincerely



Daryl Hitzman
Chief Executive Officer