



Tablelands Regional Council
submission to the
Parliamentary Committee for
Finance and Administration

*RE: Industrial Relations
(Restoring Fairness) and
Other Legislation
Amendment Bill 2015*

To:

Research Director
Finance and Administration Committee
Parliament House
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Submission close: Monday 18 May 2015 @ 4 PM

Tablelands Regional Council is concerned about the proposed changes to the legislation. Due to the short time available for submissions, the Councillors have not yet endorsed the submission however a copy of the Council resolution will be provided at a later date following consideration of the matter at the next Council meeting.

We note that the timeframes for submissions are such that it appears the consultation process will be rushed and not properly and fully considered. We request that, with due respect for the importance of this legislation, and the effect on the staff and the organization that timeframes be extended to ensure both employees and employers are properly represented to ensure better consultation and consideration.

In the meantime this submission is all that is possible with our existing resources and the short timeframes.

Tablelands Regional Council has always worked fairly and ethically in its discussions and negotiations with staff and unions. Council wants to continue this process and to do this Council needs flexibility to be responsive to current and future impacts on Local Government.

Clause 6: Removal of non-allowable provisions

Omission of 71LB

Council has no objection to the removal of non-allowable provisions.

Council does however require that when these matters are considered (as part of the certified agreement) that they do not restrict Council's efficiency of operation as any provision that prohibits the effective operation of the Council may in turn effect security of employment. In Council's Enterprise Bargaining agreement there are provisions that allow Council to be responsive to a changing environment such as:

- Flexibility in workplace practices;
- Productivity improvements;
- Management's ability to change and update policy that is appropriate for the organization;
- Use of contractors where volume of work is beyond the capacity of the workforce, type or specification is beyond existing staff capacity or capability, or more cost effective;
- Consultation with staff and unions once Council has made a decision (Council has always considered feedback prior to finalizing the decision); and
- Redundancy as a last resort following retraining, redeployment, and voluntary redundancy.

Council's financial position is limited now that grants have decreased and the cost of amalgamation and de-amalgamation has been borne by the community. Council requires flexibility in order to move forward

in an ever changing environment and as a small employer (with a limited rates base) has a limit to its capacity that is individual to this entity.

Clause 31: Right of Entry Provisions for Union Representatives

Our reading of this section is that it allows inspection by a union representative of payroll records of any employee (union or non-union) and allows the industrial officer to make a copy of the time and wages record. Further proposed section 373 (8) allows an officer to discuss matters during working or non-working time with an employer or member or eligible member. Council has not had any notifications from Unions or employees that the current provisions have impeded unions to enhance members' interests and in fact Council has work in well with the Unions on this matter.

For the section about inspecting employee records, Council requires that it be the exception rather than the norm and requests that the clause be turned around to say that a Union representative may inspect a payroll record on any of their union members anytime and any non-union member only with their permission in writing.

Council also requires that any discussion by an industrial officer not interrupt the normal working operations of the organization and as such the industrial officer should seek approval from the CEO or their delegate. Council understands and is happy for a clause to be included that directs that Council should not unreasonably deny access of union officials to staff. Council needs the capability to ensure the number, time and cumulative effect of discussions does not adversely impact Council's operational requirements.

Modern Award Provisions - Dispute Resolution

Proposed Clause 844: Review of Existing Modern award to consider if the number of awards for Local Government should be increased.

Modern Award Provisions

Our understanding is that this provision allows multiple modern awards to apply to Local Government.

Tablelands Regional Council works with employees as a whole and to have multiple awards applying to the workforce unnecessarily complicates matters for employees and the employer. This is one part of the previous changes that Council saw as favourable for both employees and employer. Under the previous negotiations there have always been discussions from employees and unions to equalize the different awards applying to local government employees and it makes sense to have all local government employees on the same award. It is Council's preference that one award apply to all local government employees to provide equity across the workforce.

Union encouragement

Our understanding is that proposed provisions will expect local government as employers to encourage union membership.

Tablelands Regional Council believes this is suitable so long as it limits the encouragement to notification to new employees and provision of contact details on request by an employee. Any additional requirements would be beyond that previous required and we currently have insufficient resources to meet any additional requirements. Council has no objection to payroll deductions for union membership.

Union Delegates - Trade union leave

Our understanding is that this provision will reintroduce training for union representatives will be provided in Council time.

Tablelands Regional Council believes this is reasonable so long as timing is operationally suitable for Council and the costs of staff time is shared between the employer and the union/employee.

Termination, change and redundancy

Our understanding is that this will reinstate previous provisions.

Tablelands Regional Council believes that Local Government needs to be responsive and have a flexible approach to change and while there is no disagreement with changes to these clauses, they need to be considerate of Council's financial situation and ability to facilitate these provisions. Tablelands Regional Council has a number of long term employees that would be entitled to maximum redundancy provisions. Redundancy payments need to be affordable to the community and alternative options should be considered in conjunction with these financial provisions such as transition to retirement, redeployment and training within the capacity of the individual Local Government rather than just financial provisions mandated as a one size fits all.

Re-establishing the independence of the QIRC

Our understanding is that these provisions aim to remove the requirement of the QIRC to consider the Council's financial position and fiscal strategy when considering wage arbitration matters and when modernizing awards.

Council requires consideration of its financial position. Council's main source of income is rates from the community. The community has a limited capacity to pay and this has already been challenged due to:

- Decreasing Federal and State Grants to Local Government;
- Limited population growth in this region;
- Decreasing opportunities to earn income through third party works;
- Increasing legislative and reporting requirements;
- Increasing costs of operations in the areas of wages, construction costs, funding of new, renewal and replacement of assets;
- Etc.

General Matters

Uncertainty for staff

Council's management and staff are concerned about the delays these changes will make. Already the employees last pay increase was on 1 July 2013 for the period to 30 June 2014. Staff's conditions and pay since this time have been frozen due to legislation/award changes and commencement of enterprise bargaining negotiations. Parts of the explanatory notes indicate that a two year period is thought to be reasonable in relation to the award modernization process. This will be 3 years since the previous agreement expired and the term of the proposed agreement that was near completion at the time the bill prohibited further negotiations. Further the removal of 140CA(3) & (4) would then allow the Minister to further extend the date in two parts - firstly in regards to the amount of time and secondly in respect to the amount of times an extension will be permitted.

Consultation

The explanatory notes to the Bill note that consultation was conducted with each individual union and only the Local Government Association of Queensland. If detailed consideration was given to individual unions then this action should also be afforded to individual local governments. This is important as each local government finds itself in different circumstances and a one size fits all option is not suitable or effective.

Delays in negotiations undertaken in good faith

Council's staff, management and unions have begun negotiations for a new agreement in good faith. These negotiations were nearing completion. The delays caused by the proposed changes to the legislation has meant insecurity for staff and Council and increased costs in the negotiating process.

Cost implications for Local Government

The move to re-introduce job security, protections against contracting out and other measures included in the Bill will have a real financial impact on Tablelands Regional Council. Pending how far these measures are taken they will either return us to the previous situation or could have increased costs for Council and hence ratepayers. The only way Council can respond to increasing costs is to increase the revenue from ratepayers or decrease levels of service to the community or a combination.

Industrial Relations Working Group

The Media Release from the Treasurer, Minister for Employment and Industrial Relations, the Honorable Curtis Pitt on Thursday, 23 April 2015 stated that an Industrial Relations Reference Group will be established. While the Minister mentioned government there was no specific reference to Local Government or the Local Government Association of Queensland.

Council requests that Local Government representation should be included in the Industrial Relations Working Group.

Tablelands Regional Council appreciates the opportunity to make a submission and would be happy to provide further information should it be required.

Submission made by:

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