

Mailing Address: Street Address: Telephone: Facsimile: Email: Web: ABN:

Idress:PO Box 390, Gayndah Qld 4625Idress:34-36 Capper Street, Gayndah Qld 4625Idress:1300 696 272simile:(07) 4161 1425Email:admin@northburnett.qld.gov.auWeb:www.northburnett.qld.gov.auABN:23 439 388 197

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Queensland Government Finance & Administration Committee Via e-mail :- fac@parliament.qld.gov.au

North Burnett Regional Council submissions to the Finance & Administration Committee regarding the introduction of the Industrial Relations (Restoring Fairness) and Other Legislation Amendment Bill 2015

Introduction

The North Burnett Regional Council is established under the Local Government Act 2009. The Council came into existence on the 15 March, 2008 following the Queensland local government reform process which resulted in the amalgamation of 6 Shires – Monto, Eidsvold, Mundubbera, Gayndah, Perry and Biggenden, into the new North Burnett Regional Council. The elected Council is the law making body and consists of the Mayor and 6 Councillors. The administration of Council is headed by the Chief Executive Officer.

Full time equivalent (FTE) staff positions for North Burnett Regional Council as at 30 June 2014 were 203. 30 June 2013 – 203, 30 June 2012 – 214.69, 30 June 2011 – 216.9, 30 June 2010 – 240.3 and compares to 224.5 FTE as at 15 March 2008. All FTE figures exclude trainees and apprentices.

Since Amalgamation North Burnett Regional Council has a retained deficit position of approx. \$10 million. This position is forecast to increase by another \$2 million by the end of the current financial year. It is imperative that any change to this legislation does not further adversely impact the financial position of the North Burnett Regional Council.

The Objections

1. Clause 3 (2) - Amendments of s3 (Principle object of the Act)

As a central legislative tenet the Queensland Industrial Relations Commission (QIRC) should take into account amongst other things the financial position of the Employer (Council) when determining by arbitration 'wages and employment conditions'. This principle is universally applied within the federal industrial relations jurisdiction and forms part of the tribunals consideration when determining central wage fixation at both the Queensland and Federal level.

Its removal does not support the introduction of greater 'independence' of the QIRC rather its maintenance will ensure proper consideration is given to such matters.

For the above reasons, Council does not support the removal of object (p).

2. Clauses 5, 6, 7 & 8 (required, permitted or non-allowable content provisions)

The current provisions largely reflect the industrial scheme on a national level as provided for within the Fair Work Act 2009 (*Cth*).

The bill seeks to remove in particular 'non – allowable' matters which is not only incongruous to the national scheme but has the direct effect of reintroducing potentially damaging conditions regarding the manner in which Council can conduct its operations. In particular the current legislation protects Council from the introduction of legally binding terms and conditions that may severely inhibit and restrict Councils ability to provide quality services to the community.

For the above reasons Council does not support this part of the Bill.

3. Clause 9 (Insertion of new s71MCA – Dispute resolution procedure)

The current provisions largely reflect the Fair Work Act 2009 (*Cth*) and as such do not require change. The State Government has not provided any justification as to why these arrangements need to be changed and the proposed variations are incongruous with federal industrial laws on how dispute resolution should be prescribed in industrial instruments.

For the above reasons Council does not support this part of the Bill.

4. Clause 16 (Non- allowable content)-

Refer to the submissions under point 2.

5. Clause 18 Amendment of s140 D (Modern awards objectives)

Refer to the submissions under point 2.

6. Clause 21 (Amendment of s149D (Issues full Bench must consider)

Refer to the submissions under point 1 as they relate to ensuring the Full Bench considers the financial position of Council when arbitrating terms and conditions.

7. Clauses 28,29,30 & 31 (Right of Entry Provisions)

These parts of the bill seek a return to arrangements prior to the Industrial Relations (Transparency and Accountability of Industrial organisations) and Other Acts Amendment Act 2013.

There has been no justification provided by the State Government as to why it is necessary to return to such arrangements and how such a change will assist in supporting the principle objects of the legislation.

The current arrangements reflect in the main those provided federally within the Fair Work Act 2009 (*Cth*), which appropriately recognises the balance between an Employers ability to operate its business without undue influence and disruption and the employee's right to representation by industrial organisations. A removal of the current provisions as proposed by this Bill will mean different Right of Entry Arrangements to that of Private Sector Employers across all of Australia.

The potential impact of the proposed changes is unnecessary disruption to the provision of services to the community.

For the above reasons Council does not support this part of the Bill.

Conclusion

Overall the changes proposed to the current legislation as identified within this submission appear to have no valid basis, are in direct conflict with the well establish industrial regime nationally, do not provide any legislative support to the principle objects of the Act and in particular is incongruous with object (b) which is to provide for an "effective and efficient economy, with strong economic growth, high employment, employment security, improved living standards, low inflation and national and international competitiveness".

Thank you for the opportunity to provide submissions.

Yours sincerely,



MJP)Pitt Chief Executive Officer

