



Industrial Relations
(Transparency & Accountability
of Industrial Organisations)
Submission 020

14 May 2013

Research Director

Legal Affairs and Community Safety Committee
Parliament House
George Street
BRISBANE QLD 4000

Email lacsc@parliament.qld.gov.au

Dear **Committee Members**,

**Industrial Relations (Transparency and Accountability of Industrial Organisations) and
Other Acts Amendment Bill 2013**

Clubs Queensland (the Registered and Licensed Clubs Association of Queensland, Union of Employers) is the peak employer organization representing around 600 registered and licensed clubs in Queensland.

As such, Clubs Queensland is represented on and contributes to relevant industry bodies sponsored by Government and is in a good position to represent the views and interests of members on issues that are likely to affect them.

Clubs Queensland also lobbies for or against issues that affect our members, produces policy submissions and commentary on developments, publishes industry newsletters, magazines and releases regular media statements that receive consistent media coverage.

Our views on the Bill reflect those of a number of other employer organisations that are registered unions of employers in Queensland and consequently are as follows...

Overview

As an overview, Clubs Queensland supports the broad thrust of the Bill to provide for appropriate disclosure of the Association's financial transactions, to restore a more even playing field between employers and unions and to remove certain restrictive provisions from awards and enterprise agreements in Queensland.

However, Clubs Queensland also supports the views of other employer organisations and consequently makes detailed comments as follows...

Requirement to disclose remuneration of top 10 employees

Clubs Queensland **does not** support the public release/disclosure of salaries and sees no public interest in doing so.

The Board of Directors of Clubs Queensland sets the remuneration of the Chief Executive Officer and the Chief Executive Officer in turn sets the salaries of staff, which are then approved by the Board. Other expenditures are approved as part of the annual budgeting process, and are also regularly reported to and approved by the Board. Our accounts are audited, recommended by Finance Committee, approved by the Board and then ratified at our Annual General Meeting.

Our 13 Board Members are elected by the members and are empowered under our Constitution, to ensure compliance with applicable corporate governance standards. For noting, Clubs Queensland's Constitution is approved by the Queensland Industrial Relations Commission.

Clubs Queensland sees absolutely no Public benefit to further public disclosure.

In a practical sense no matter what the salary levels are, as with membership fees, some members are sure to consider the salaries too high, as they may membership fees. Again what Public benefit or purpose does this serve?

However, should the Government believe that these new provisions should prevail, then, they should **NOT be** retrospective. That is the new provisions should not apply before 1 July 2014 and ideally take into account this organisations financial year, which runs from 1 January to 31 December each year.

Current employees and/or prospective employees need to be aware of these provisions in advance so that they may make appropriate personal decisions. No one should be forced to disclose their personal remuneration without the appropriate notice period to allow for personal judgment and decision.

Requirement to disclose pecuniary interests for elected Officers

Of all the proposed provisions we find this the most troubling.

Clubs Queensland has 13 elected Board members, who are all appointed to act as directors on a voluntary basis. However, should any director receive any remuneration for providing goods and/or services to Clubs Queensland which is above and beyond his normal duties as a director, such remuneration is required under current legislation to be disclosed in the Annual Audited Financial Report to members.

To suggest in addition to this our volunteer directors be required to publicly disclose their own, and their family's pecuniary interests (both personal and business), is excessive.

Clubs Queensland contends that the current reporting requirements for payments made to directors is practical and provides fair disclosure.

Further, Clubs Queensland is not at all confident that we would be able to find any member willing to replace them where the "reward" is the public disclosure of the business and personal interests.

This in turn would mean that Clubs Queensland might not be able to comply with the requirements of our Constitution, nor our registration as an Employer Association under the Act - what happens then?

Requirement to disclose gifts to Officers, Employees and/or other Persons

Without some practical threshold this will be an additional administrative burden and a reversal of the "Reduction of Red Tape Mantra" of the Government. Clubs Queensland suggests a threshold should be set (say gifts over \$500 in value) to eliminate the administration burden of recording minor gifts such as presentations to staff at Christmas, or on retirement etc.

Requirement to disclose spending for Political "objects"

Like other peak employer organisations, one of the day to day functions of Clubs Queensland is to lobby politicians in respect to improving existing and any proposed new legislation that adversely impacts on the interests of its members, the registered and licensed club industry.

This provision, which amongst other things requires reporting of any material expenditure, including for advertising or publication about a political matter, is totally impractical as it would require clubs Queensland to be continuously contacting its 600 members week-in week-out to get majority approval for every day expenditure on one of its core activities.

The comments by other employer organisations regarding this issue are supported.

Requirement to provide details of Procurement spending

To comply with this requirement would create a significant administrative burden on Clubs Queensland.

A brief check of our Accounts would suggest with annual expenditure around \$3.5m, the list of suppliers in excess of \$5000 would be large.

For what purpose would the Government wish to know the amount we spend on:

- WorkCover, Payroll Tax & FBT
- GST
- Land Tax
- Electricity
- Phone Account & Rates
- Insurance
- Car Registration; and
- Many other essentially normal business expenses?

This is seen as just adding to red tape. Worse still, details of our suppliers would then be publicly available to other suppliers and other industry groups.

We are a commercially responsible organisation that diligently meets all its state and federal governance and compliance requirements. We have nothing to hide, however in turn what is being proposed will commercially disadvantage the organisation, our valued volunteer directors and personnel within the organisation. In essence, one could say we could justifiably argue commercial and personal discrimination on many fronts.

Clubs Queensland welcomes the opportunity to make this submission.

Yours sincerely



Doug Flockhart
Chief Executive Officer

Cc

Mr Jarrod Bleijie MP

The Honourable The Attorney General and Minister for Justice

Level 18, State Law Building

50 Ann Street

BRISBANE QLD 4000