



Speech by

Ms Grace Grace

MEMBER FOR BRISBANE CENTRAL

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LOCAL GOVERNMENT AND INDUSTRIAL RELATIONS AMENDMENT BILL

Ms GRACE (Brisbane Central—ALP) (3.51 pm): I rise today in support of the Local Government and Industrial Relations Amendment Bill. As we all know, under WorkChoices employees of trading corporations are covered exclusively by the federal industrial relations system. By using the federal corporations power, which was deemed constitutionally valid by the High Court of Australia, the then Howard government enacted workplace laws which override state industrial relations laws for constitutional corporations. Unfortunately, it is not clear if local governments are covered by the federal industrial relations system because it is not apparent if some or all of them engage in sufficient trading to meet the legal tests that determine what actually constitutes a trading corporation. Clarifying this issue as far as meeting the legal tests often requires costly and lengthy legal proceedings. This is time and expenses we can ill afford, which means it is necessary to quickly clarify the current imbroglio created by a hostile takeover of IR laws by the federal jurisdiction.

It is most welcome that the federal Rudd government has stated that it will amend the federal Industrial Relations Act to allow local government to be covered by the state IR system, but due to a number of reasons this might not occur until 1 January 2010, as previously stated by the member for Gladstone. As part of the consultation around local government reform, the Queensland government gave a commitment to do all that was legally possible to ensure that local government is covered by the state industrial relations system. This will provide certainty for local governments, their employees and the relevant unions about their industrial relations arrangements—industrial arrangements that can be effectively secured and protected by state IR laws for workers working solely in the state of Queensland.

The critical date for local government employees to be covered by the state industrial relations system is 15 March 2008. This is when some local governments merge and it is essential that there is some certainty as to their status with regard to being a trading corporation so that proper industrial arrangements can be finalised quickly to protect both employer and employees. If local government employees are in the state system before the mergers, the law that applies to the transfer of their employment and of their entitlements is much clearer. It will be state laws that apply, thus providing some certainty and avoiding unnecessary anxiety and possible disadvantage amongst the workforce.

The state IR laws include provisions of the Industrial Relations Act and codes of practice and regulations made under the Local Government Act which do three things. Firstly, they preserve an employee's continuity of service when the employee transfers. This means service with the old employer counts as service with the new employer for the purpose of accruing benefits like long service leave and annual leave. Consequently, there is no possibility of loss of accrued benefits. Secondly, they protect all of the employee's accrued entitlements such as sick leave balances and redundancy rights which will transfer with them. Thirdly, they protect the employee's ongoing rights to receive the same wages and other benefits they had with the old employer—commitments which were given by the state government and which we are now delivering. If federal laws were to apply when the mergers take place, there is legal

uncertainty about the protections that apply for both employing local governments and for employees' entitlements, and this is a situation that this bill rightly aims to avoid.

I recall that at the time when federal industrial relations laws were being introduced the then Howard government claimed that many federal members of parliament were like Chicken Little running around signalling that the sky was going to fall in because of the new IR laws. Let me just reiterate that we are getting a lot of this from the other side of the House today where we have a lot of Chicken Littles claiming that the sky is going to fall in on all of the new merged local government associations and councils simply because these laws are enacted. The difficulty for those purporting that argument is obviously trying to sustain it. This bill does nothing of the sort. What it aims to do, like I said, is put in place a situation that rightly entitles workers to protect their long-term rights and conditions. I commend this bill to the House.