



Speech by

Michael Hart

MEMBER FOR BURLEIGH

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INDUSTRIAL RELATIONS (FAIR WORK ACT HARMONISATION) AND OTHER LEGISLATION AMENDMENT BILL

Mr HART (Burleigh—LNP) (5.54 pm): I rise today to support the Industrial Relations (Fair Work Act Harmonisation) and Other Legislation Amendment Bill 2012. The bill seeks to amend the Industrial Relations Act 1999 to clarify and improve its operation. It is important to recognise that from January 2010 Queensland referred its private sector industrial relations power to the Commonwealth, leaving Queensland's Industrial Relations Commission with jurisdiction over 245,000 workers' awards and certified agreements, mostly in the state public sector, local government and local government owned corporations.

There are a couple of items about this bill that I would like to highlight. Wage setting for public sector employees who fall into the jurisdiction of the IR Act has a very direct effect on the state's fiscal strategy and potentially on public sector employment generally. The proposed amendments will ensure that such decisions are made with this in mind and are responsive to the prevailing and changing economic conditions in Queensland.

As I said earlier, prior to 1 January 2010 the IR Act was the primary legislation regulating the industrial relations system in Queensland. At that date, Queensland referred its private sector industrial relations power to the Commonwealth so that the state's industrial relations jurisdiction through the IR Act is now concentrated on the public sector, including government employees at the state and local level who are funded from public revenue.

The Queensland Industrial Relations Commission, QIRC, is the independent tribunal that conciliates and arbitrates industrial matters including agreements, wage rates and wage increases of public sector employees in the state of Queensland. When negotiations are at an impasse and reconciliation by the QIRC has not been successful, the QIRC has the power to determine the matter by binding arbitration. When making an arbitrated decision, the QIRC is broadly required to take into account the public interest and likely effects of the determination on the community, the economy, industry generally and the enterprise or industry concerned. The QIRC may only consider the state's financial position broadly as part of the effect on the economy. There is not a clear process for taking into account the state's financial position and that of the relevant employer entity and the fiscal strategy of the state government, nor how such matters were weighted against other factors in the decision process.

It is important that the IR Act be amended to ensure that, on these occasions when wages are determined for the public sector by binding arbitration, the flow-on effects on the state and on the state's fiscal strategy are taken into account. The proposed amendments will require the QIRC to demonstrate when making a decision that consideration has been given to the prevailing economic conditions and in particular to Queensland's budgetary position and the effect any decision may have on public sector employment generally. The amendments include a process for the Queensland government to keep the QIRC informed of the financial position of the state and the government's fiscal strategy to support the QIRC's decision making.

Further, the amended legislation defines a clear process for employees voting in determining a ballot when industrial action is proposed to be called. This is to be termed a protected action ballot and is conducted by the ECQ. Importantly, schedule 4, section 20 provides that employees may only vote in a ballot if their name is on the roll of voters for the ballot, and section 21 provides that a regulation may provide for the qualifications, appointment, powers and duties of scrutineers for a protected action ballot. These are very sensible amendments, if I may say so.

The Leader of the Opposition and the Manager of Opposition Business, the member for Mulgrave, whom we have just heard from, suggested that if the Teachers Union wanted to take protected action they would be obliged to hold a vote of over 40,000 members, with the ECQ carrying out that vote, and that that might be an onerous task. I would point out to the Leader of the Opposition and the member for Mulgrave that on 24 March this year the ECQ conducted a ballot of over four million voters, and that worked out okay! I do not think it was overly onerous and I am very happy with the result.

A government member interjected.

Mr HART: I take that interjection. However, I can accept that the Leader of the Opposition might well think that that vote was onerous. I would point out that by passing these amendments there will be no additional cost to the unions concerned, as section 24 provides that the cost of the protected action ballots conducted by the ECQ are payable by the state. As voting will be conducted by the Queensland Electoral Commission, the process will be a fair process, clearly defined and above all transparent. It is a great shame that powers over state sector industrial relations were referred to the Commonwealth in 2010, giving control to a Commonwealth government presently controlled by the Greens and the Independents with the assistance of the unions—more specifically, the loopy left of the New South Wales Labor Party! Private sector industrial relations would have been far better off left to this new government in Queensland—a can-do government.

On that note I might move into the savings contained in the bill, and I commend the Attorney for these savings. Specifically, I note that section 45 of the Public Service Act 2008 establishes the membership of the Public Service Commission. The Public Service Act 2008 currently provides for the commission to consist of the following persons: the chairperson; commission chief executives who are responsible for the Industrial Relations Act 1999, the Parliament of Queensland Act 2001 and the Statutory Bodies Financial Arrangements Act 1982; and at least three other persons appointed by the Governor in Council as commissioners. Surprisingly—or maybe not—under the former Labor government the commission previously had up to five other persons holding appointments at the same time. What is the cost of these other persons? It is \$30,000 per other person in what is termed 'remuneration setting fees'. The appointment of these other persons by the Governor in Council as commissioners expires on 30 June 2012, and thank goodness for that! Not surprisingly, under these new rules these other persons are no longer required to conduct the business of the commission. This advice comes from the chair of the Public Service Commission. That is the part of this bill I really like—that is, \$30,000 per person in sitting fees times five equals \$150,000 in savings, if my maths is correct. Another four decisions like this and we will pay for one hour's interest on the colossal debt that was left behind by the previous incompetent Labor government! The parliamentary Finance and Administration Committee has reviewed this legislation and it heard from a number of interested parties, unions and chambers of commerce. The committee has tabled report No. 14 in the House with a number of suggested amendments, and the Attorney has already indicated that he will move further amendments during the consideration in detail stage incorporating some of those suggestions.

In closing, I want to reinforce the comments made by the member for Redcliffe about this government's handling of wage negotiations with Public Service workers in the last 11 weeks since the election. As he pointed out, the Minister for Health moved very quickly to solve the issues put forward by the Nurses Union in order to get its enterprise bargaining agreement moving forward. Contrast that to the comments by the member for Rockhampton last night when he commented on the Newman government's plans to increase the payroll tax threshold from \$1 million to \$1.1 million and then up to \$1.16 million over the following five years. What did he say? He said that it was a 'less than earth-shattering rollout schedule'. He went on to say that it is hardly likely to have a dramatic impact on lives. What the member for Rockhampton failed to recognise is that a payroll increase of \$100,000 would allow an enterprise with, say, 20 people working for it—and that would put them under the \$1 million cap—to increase its workforce by a further two people per year. That would be an increase of 10 per cent or more in the first year and another 50 per cent over the following five years. That is growing a business by 50 per cent to 60 per cent and I think that that will have a fair effect on a business. This shows that those opposite just do not get it. They do not understand basic economics, and the fast approaching \$85 billion in debt is proof of that. In contrast, the Newman government is already getting the runs on the board, already reinforcing—

(Time expired)