




Speech By
Hon. Jarrod Bleijie

MEMBER FOR KAWANA

INDUSTRIAL RELATIONS (TRANSPARENCY AND ACCOUNTABILITY OF INDUSTRIAL ORGANISATIONS) AND OTHER ACTS AMENDMENT BILL

Second Reading

 **Hon. JP BLEIJIE** (Kawana—LNP) (Attorney-General and Minister for Justice) (4.32 pm): I move—

That the bill be now read a second time.

I thank the Legal Affairs and Community Safety Committee for its prompt consideration of the Industrial Relations (Transparency and Accountability of Industrial Organisations) and Other Acts Amendment Bill 2013. As I mentioned in my explanatory speech, the government acts in the interest of the wider community to guard against corruption and the misuse of trust and position. We stand for accountability and we stand for transparency. I acknowledged that there would be a variety of views about the bill and encouraged those who had something to say to use the committee process to air those views. I followed that process with particular interest. I also met with a number of key stakeholders about concerns raised through the committee process, including the Chamber of Commerce and Industry, the Master Builders Association, the Local Government Association and the Queensland Council of Unions. My department also provided a number of briefings about the bill and my office was involved in meetings with other organisations including Clubs Queensland and the Electrical Contractors Association.

I note the committee tabled its report on the bill on 3 June 2013 and has recommended that the bill be passed. The government accepts that recommendation. The committee has made a further 11 recommendations. I shall address each recommendation in turn.

Recommendation 2 is partially accepted. The bill will be amended to remove the requirements for organisations to prepare an initial disclosure statement covering the period from 1 July 2012 to 30 June 2013 with the exception of remuneration reporting for the 10 highly remunerated officers.

Recommendation 3 is partially accepted. The bill will be amended so that the definition of an officer required to prepare a personal interest disclosure register be limited to the president, vice-president, secretary or assistant secretary and members of the management committee. Recommendation 4 is accepted. The obligation for disclosure by a relative of an officer will only extend to the officer's spouse.

Recommendation 5 is partially accepted. The bill will be amended so that the contents of the register will not be required to be made public. Officers will lodge their disclosure statements with the Industrial Registrar. In addition, there will be an exemption for those officers who do comply with a substantially similar law about disclosure of material personal interests where that information is already publicly available—for example, local government councillors.

Recommendations 6 and 7 are partially accepted. The bill will be amended to exclude employees from the remuneration disclosure obligations. The information will remain publicly available.

Recommendation 8 is partially accepted. In response to this recommendation and the concerns of stakeholders, the bill will be amended to remove the requirement for a public register of procurement spending. Instead, an officer of the organisation's decision-making body will be required to declare a conflict of interest where there is a relationship between the supplier and the officer. Although not consistent with the committee's recommendation, these amendments address the committee's concern about the regulatory—red-tape—burden whilst maintaining the objective of ensuring the accountability of officers with the capability to influence the expenditure of industrial organisations and will provide transparency to their dealings with suppliers.

Recommendations 9, 10 and 11 are partially accepted. In response to these recommendations and the submissions of stakeholders, the bill will be amended to remove the requirement for the ECQ to conduct the ballot. Ballots may be conducted by the organisation or a third party. A ballot must include all members of an organisation with a successful ballot requiring a majority of the votes returned—that is, the requirement for the return of at least 50 per cent of the members balloted is removed. Political campaign expenditure will be payment to a political party or a candidate, donations to a third party to conduct a political campaign and expenditure on public advertising which includes public opinion polling, television, radio, electronic and print advertising, billboards and letterbox drops. Activity within the organisation's own membership—that is, not extending beyond its members—does not require a ballot. Organisations will remain obligated to provide public disclosure on the outcome of the expenditure ballot and the particulars will be set out in regulation which will be put to the Governor-in-Council upon the passage of the bill. It is not proposed to change the threshold for a ballot which is currently \$10,000.

Recommendation 12 is not supported. The application of the tests in the existing definition of 'worker' have caused significant confusion around when an employer is required to hold a policy of insurance to cover a worker for a work related injury. It is noted the Housing Industry Association and the Master Builders Queensland, while preferring a definition of 'worker' based on GST transactions, consider the definition of 'worker' in the bill to provide much greater clarity on who is and who is not a worker than the existing definition and support it.

I table the government's response to the committee report.

Tabled paper: Legal Affairs and Community Safety Committee: Report No. 31—Industrial Relations (Transparency and Accountability of Industrial Organisations) and Other Acts Amendment Bill 2013, government response [[2838](#)].

I have also noted the dissenting reports of the opposition and the member for Nicklin. It is good to see that the member for Rockhampton took my advice in the last sitting and rather than doing a statement of reservation actually did a statement of dissent, if that is in fact where they are going. In response to the member for Rockhampton, I can only repeat what the committee has found—that is, it is vitally important that steps be taken to improve the accountability, integrity and transparency of all industrial organisations in Queensland.

The notorious case of the investigation of the Health Services Union, which identified over 100 breaches of that organisation's own rules and federal laws, raising serious concerns about financial mismanagement, improper use of funds and using position for personal gain, should be enough for even the most fervent unionist to recognise that there is a need for greater scrutiny and transparency so that allegations of corruption and fraud can be dealt with head-on. As I said, the best disinfectant is sunlight, and this bill lets the sunshine in. In response to the concerns raised by the member for Nicklin, I trust that amendments in the government's response to the recommendations of the committee that I will move tonight will allay his concerns.

As I outlined in my address to this parliament when the bill was introduced, the purpose of the bill was to ensure the transparency and accountability of industrial organisations and their elected officials. The bill will also support an employee's right to choose to belong or not to belong to a trade union. It will re-establish managerial prerogative regarding departmental policies. It will facilitate a more orderly process for union right of entry to an employer's premise. It will facilitate Queensland Health's continuing efforts to recover overpaid moneys from employees caused through Labor's debacle of the Health payroll system. The bill will also designate the vice-president of the QIRC as the senior appeals officer under the Public Service Act 2008 with responsibility to issue practice directions for the management of appeals dealt with under that act. This will improve the management of appeals and the consistency of the tribunal's decisions. The bill will also amend the Workers' Compensation and Rehabilitation Act 2003 to clarify the definition of 'worker' to assist employers with identifying who must be included in their workers compensation policy.

I have noted the recommendations of the committee and I have noted the views of the stakeholders and that is why tonight I will be moving a number of amendments to the bill. In addition to those amendments I have already outlined in the government's response to the committee's recommendations, I will also be introducing additional amendments to further strengthen accountability in industrial organisations.

In addition to the requirements for financial management policies on the issuance and use of credit card payment facilities by organisations, the bill is amended to require employee organisations—unions—to make publicly available online the credit card/Cabcharges/similar credit facility statements of all organisation issued cards for each reporting period the statements are issued. This will also include any personal credit card usage for an official purpose of the organisation by an officer or an employee of the organisation. Further, the requirement will be from 1 July 2012.

The amendments will also clarify that political party affiliation fees are to be publicly disclosed as part of the annual financial disclosure regime. These amendments retain the integrity of the bill while addressing concerns expressed by stakeholders through the committee process and in the community at large.

Additional amendments to the bill will also be moved to better utilise the expertise of the existing president of the Industrial Court of Queensland and other presidential members of the Queensland Industrial Relations Commission to ensure all matters before the industrial tribunals are dealt with as speedily as possible. Prior to 1999 the position of president was part-time. The position was held by an existing Supreme Court judge who would hear appeal matters for approximately six to eight weeks per year. The 1998 review of the Queensland industrial relations legislation, the IR task force, recommended that the position remain part-time but that the availability of the president be increased. This recommendation was not adopted by the then Labor government and the current president was appointed on a full-time basis. What we have seen is that the number of matters filed in the Industrial Court has continued to fall. In 2005-06, 100 matters were filed. In 2011-12, 41 matters were filed. At the same time, the QIRC is feeling workload pressure. The changes to the bill will allow for the workload of the court and the commission to be spread across all presidential members thereby improving the efficiency of those tribunals through better use of the existing resources.

An amendment will also be made to further clarify the existing definition of organisational change for the purposes of section 691C of the Industrial Relations Act to make clear that it includes any requirements for consultation and joint decision making which occurs prior to organisational change. I will also be moving a number of minor, technical or consequential amendments to the bill.

I will also move amendments relating to the Drug Court Act 2000 and the Penalties and Sentences Act 1992. These amendments are drawn from the Criminal Law Amendment (No. 2) Bill 2012, which was introduced to this parliament on 29 November 2012 and was referred to the Legal Affairs and Community Safety Committee. I do thank the Legal Affairs and Community Safety Committee for its timely consideration of the Criminal Law Amendment Bill (No. 2) 2012, which contained the Drug Court related amendments. I note the committee tabled its report on the bill on 8 April 2013, recommending that the bill be passed. The committee made no other recommendation. The government of course accepts this recommendation.

I will briefly address the statement of reservation of the honourable member for Rockhampton regarding the Drug Court. On 11 September 2012 the government announced, as part of the state budget 2012-13, that funding will cease for the Drug Court. We all know that decisions to cease funding programs are not made easily. However, these tough choices are necessary to return Queensland to a stronger fiscal position.

The member for Rockhampton calls on me to ensure that adequate programs are in place to transition people under current Drug Court orders. The Drug Court related amendments reflect a gradual approach to the cessation of the Drug Court to ensure the appropriate transition of people under current Drug Court orders. Effectively, the Drug Court will continue to operate in a limited capacity until 30 June 2013 using existing allocation of resources, continuing to operate only to support offenders already on a rehabilitation program as part of their intensive drug rehabilitation order. This allows offenders subject to an intensive drug rehabilitation order the opportunity to complete the rehabilitation program and be finally sentenced before 30 June 2013.

It is also important to note the related amendment made to the Drug Court Regulation 2006 to limit the number of people who can be placed on an intensive drug rehabilitation order and who can be assessed for eligibility or suitability. This was an interim arrangement pending passage of the bill

and was made on 15 November 2012. The amendments also include the necessary transitional provisions for the expiration of the Drug Court—for example, provisions for dealing with offenders apprehended upon Drug Court warrants after 30 June 2013. I am satisfied that the amendments accommodate the appropriate transition of people on Drug Court orders.

The key purpose of this legislation is to provide greater accountability and transparency for registered industrial organisations in Queensland. We believe in democracy and letting the grassroots members of these organisations have the opportunity to have a say on key decisions that are made and how their money is spent. There have been numerous examples in Queensland and in other states of alleged abuses of trust and we want to guard against that. This is about having grassroots members of these organisations having a say in the direction and leadership of their organisations. I commend the bill to the House.