




Speech By
Hon. Stirling Hinchliffe

MEMBER FOR SANDGATE

Record of Proceedings, 3 December 2015

ETHICS COMMITTEE

Citizen's Right of Reply

 **Hon. SJ HINCHLIFFE** (Sandgate—ALP) (Leader of the House) (11.36 am), by leave, without notice: I move—

1. That this House notes report No. 158 of the Ethics Committee and the recommendation of the committee that a right of reply be incorporated into the Record of Proceedings; and
2. That the House adopt the committee's recommendation and incorporate the right of reply into the *Record of Proceedings*.

Question put—That the motion be agreed to.

Motion agreed to.

RESPONSE BY MACKAY REGIONAL COUNCIL, TO EVIDENCE GIVEN AT A PUBLIC HEARING HELD BY THE FINANCE AND ADMINISTRATION COMMITTEE ON 25 MAY 2015 AND STATEMENTS MADE BY THE MEMBERS FOR FERNY GROVE AND MURRUMBA ON 4 JUNE 2015

On 25 May 2015, Ms Kate MacDonald made the following statement to the Finance and Administration Committee:

The Industrial Relations (Fair Work Act Harmonisation No. 2) and Other Legislation Amendment Bill 2013 saw myself and my colleagues lose many valuable conditions from the industrial award I work under—specifically, the loss of locality allowance, fifth week annual leave provisions, job security and major change notification. As mentioned in my written submission, I am a single mother. I struggle each day to assure my children that everything will be okay when I am unsure myself. Losing \$18.65 in locality allowance to drop almost \$1,000 a year has a significant impact on our family when for years it has been a guaranteed feature of my income.¹

On 4 June 2015, the Member for Ferny Grove made the following statement:

Further real-life experiences of the effect of those insidious LNP laws were provided through evidence from Ms MacDonald, a local government worker at the Mackay Regional Council. Ms MacDonald explained how she and her work colleagues lost many valuable conditions from the industrial award they work under—specifically, the locality allowance, fifth week annual leave provisions, job security and major change notification. She explained that as a single mother she struggles each day to assure her children that everything will be okay when she is unsure herself. Losing \$18.65 in the locality allowance, meaning a drop of almost \$1,000 a year, has had a significant impact on her family.

We heard tonight members opposite in this chamber talking about freedom of choice. What freedom of choice did Ms MacDonald have in respect of losing her locality allowance?

Also on 4 June 2015, the Member for Murrumba made the following statement:

Let me give the House an example of what local government workers at Mackay Regional Council were facing if their agreement proceeded under the Campbell Newman laws. In recent enterprise bargaining negotiations, the Mackay Regional Council set up a corporation called Northern Australia Services. There is some secrecy surrounding Northern Australia Services, but this is what I have been informed. Northern Australia Services is 50 per cent owned by Mackay Enterprises, a council company owned 100 per cent by council. Reportedly, the other 50 per cent is owned by Partnership Australia which is 50 per cent owned by the LGAQ. Yes, the LGAQ would form a company that would benefit from the Campbell Newman laws.

The crucial thing for workers is what the council wants to do with Northern Australia Services. Northern Australia Services will perform council services and ostensibly look for contracts across Northern Australia. Services at Mackay Regional Council that would go across to NAS would include IT, client services, rates, accounts, procurement, debt collection, administration support, payroll, HR and software systems. Reportedly, 650 workers from council would go across to this new company out of a workforce of 1,400 people. Now this company—part owned by the LGAQ—is a game changer for local government workers across northern and western Queensland. It is a potential threat to the workforce of all the local councils in those areas. It wants their outsourced business. No wonder the LGAQ opposes these new laws that prevent this contracting out. We could say goodbye to our white-collar workforce in council if this kind of set-up was introduced by councils.

The member for Maroochydore said earlier that the local council complained that the entry level for council workers is 20 to 30 per cent above the private sector. She also said that the council complained that they cannot contract out to the private sector. The real complaint is that wage levels are too high for local government workers. That is the real complaint. The crux of it is that they do not want to pay more for local government workers than what they are paying them now; they want to pay them less.

The council workers in Mackay—the ones not in Northern Australia Services—are facing this if the restoring fairness bill does not get up. Under the proposed agreement, they would lose an extra week of leave and their locality allowance. No-one would be disadvantaged with regard to their base pay, but they would lose their allowance in favour of a new reduced allowance. Under this proposed agreement under the LNP laws, existing conditions would be preserved in a separate document. These are the non-allowable matters that we have heard about tonight. These are the crucial working conditions that would not be in their new award. What is more, a worker can only enforce the conditions in this document through a civil action, not through the commission. They have to say to their employer, 'I'm going to take you to court because you're not giving me these conditions.'

The Mackay Regional Council (the Council) refutes the assertion that Council employees have suffered a loss of, or change to, their conditions. The Council contends that at no time did any employee of the Council have any change in conditions as a result of the changes to legislation or the Award. Council has its Certified Agreement, and at all times continued to employ staff under the terms of this agreement.

The Mackay Regional Council also refutes the claims on secrecy surrounding Northern Services Australia. Council has briefed all staff on a number of occasions and questions may be asked by staff on the Council's intranet. The pending arrangement was also announced at the 2014 LGAQ State Conference.

The Mackay Regional Council also refutes the number of staff employed by the Council and the number of staff moved to Northern Australian Services. The Council workforce is circa 1,100 and the number of staff in the Northern Australia Services program is 141.

The Mackay Regional Council refutes the assertion that Northern Services Australia will be a threat to all local councils. The Council contends that Northern Australia services will ensure the Council's operations remain cost effective and efficient, which will in turn relieve ratepayers of 10-12 per cent rate increases of the past.

The Mackay Regional Council asserts that it has not contracted out its services, rather its employees have a new reporting arrangement. The Council also asserts that the application of conditions to employees of Council are based on the Award and also the terms of any Certified Agreement. Whilst the Award conditions may change, it is inaccurate to assume that the same would translate to the ultimate agreed terms of the Certified Agreement.

¹ Queensland Legislative Assembly, Record of Proceedings (Hansard), 25 November 2014, p. 3920.