



The Hon Jarrod Bleijie MP
Attorney-General and Minister for Justice

In reply please quote: 519306/15, 2403786

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19 DEC 2013

Ms Dianne Linnane
Vice-President
Queensland Industrial Relations Commission
Central Plaza 2
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BRISBANE QLD 4000

Dear Ms Linnane

I refer to the recent amendments made to the *Industrial Relations Act 1999* (Qld) (the Act), specifically chapter 5, part 8, titled the *Modernisation of Awards*.

Please find enclosed, an award modernisation request pursuant to section 140C (1) of the Act requesting that an award modernisation process be carried out.

Should you have any queries, please contact Mr Tony James, Executive Director Private Sector Industrial Relations, Department of Justice and Attorney-General, on (07) 3225 2353 who will be pleased to assist.

I trust this information is of assistance.

Yours sincerely

JARROD BLEIJIE MP
Attorney-General and Minister for Justice

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REQUEST UNDER SECTION 140C (1) – AWARD MODERNISATION

I, JARROD BLEIJIE, ATTORNEY-GENERAL AND MINISTER FOR JUSTICE, pursuant to section 140C(1) of the *Industrial Relations Act 1999* ("the Act") request that the Vice-President of the Queensland Industrial Relations Commission ("the Commission") undertake award modernisation in accordance with this request.

This award modernisation request is to be read in conjunction with Chapter 5 Part 8 of the Act.

Objects

1. The aim of the award modernisation process is to create a comprehensive set of modern awards. As set out in section 140BA of the Act, the principal object of the modernisation process is the modernisation of awards so they:
 - (a) are simple to understand and easy to apply; and
 - (b) together with the Queensland Employment Standards (QES), provide for a fair minimum safety net of enforceable conditions of employment for employees; and
 - (c) are economically sustainable, and promote flexible modern work practices and the efficient and productive performance of work; and
 - (d) are in a form that is appropriate for a fair and productive industrial relations system; and
 - (e) result in a certain, stable and sustainable modern award system for Queensland.
2. The creation of modern awards is **not** intended to:
 - (a) extend award coverage to those classes of employees, such as managerial employees, who, because of the nature or seniority of their role, have traditionally been award free. This does not preclude the extension of modern award coverage to new industries or new occupations where the work performed by employees in those industries or occupations is of a similar nature to work that has historically been regulated by awards; or
 - (b) result in high-income senior employees, as defined by section 189 of the Act, being covered by modern awards.

Performance of functions by the Commission

3. In accordance with section 140BB(2) of the Act, the Commission must have regard to the following factors when performing its functions under Chapter 5 Part 8 of the Act and this award modernisation request:
 - (a) promoting the creation of jobs, high levels of productivity, low inflation, high levels of employment and labour force participation, national and international competitiveness, the development of skills and a fair labour market;
 - (b) the need to help prevent and eliminate discrimination in employment;

- (c) protecting the position in the labour market of young people, employees engaged as apprentices or trainees and employees with a disability;
- (d) the needs of low-paid employees;
- (e) the need to promote the principle of equal remuneration for work of equal value;
- (f) the need to help employees balance their work and family responsibilities effectively and to improve retention and participation of employees in the workforce;
- (g) the safety, health and welfare of employees;
- (h) the Queensland minimum wage;
- (i) the desirability of reducing the number of awards operating under the Act;
- (j) the representation rights of organisations and associations under the Act.

Award modernisation process

- 4. In creating modern awards, and as indicated at paragraph 3(i) above, the Commission must have regard to the desirability of reducing the number of awards operating under the Act.
- 5. When modernising awards, the Commission is to create fewer modern awards which may be organised across industry and/or occupational lines as it considers appropriate, subject to the priority industries/occupations listed at paragraph 19 of this request.
- 6. Subject to this request, the Commission will identify the type of work, industry and/or occupations covered by a modern award and the application of each award.
- 7. The Commission is to have regard to the desirability of avoiding the overlap of awards and minimising the number of awards that may apply to a particular employee or employer.
- 8. In developing the content for modern awards, the Commission will have regard to the safety net community standards operating in respect of similar work throughout Australia, including properly fixed minimum rates and allowances.

Award modernisation process consultation

- 9. After receiving this award modernisation request, the Commission may, as it considers appropriate, consult with the major employer and employee representative bodies on the best process to be followed by the Commission when creating modern awards.
- 10. The Commission will then release a clear program and timetable for completing the award modernisation process.
- 11. In determining the program and timetable for completing the award modernisation process, the Commission must have regard to the prioritisation of particular industries and/or occupations listed at paragraph 19 of this request.

12. The Commission will prepare an exposure draft of each modern award. The Commission will, as appropriate, hold a conference or conferences with major employer and employee representative bodies for the purpose of informing the preparation of each exposure draft.
13. The Commission is to publish exposure drafts of each modern award for the purpose of further consultation and to ensure that all stakeholders and interested parties have a reasonable opportunity to comment upon the exposure drafts. In so far as is practicable, the exposure drafts will be electronically published for comment.
14. Consultation on exposure drafts of modern awards will be open and transparent.

Creating modern awards

15. Upon completion of the consultation processes in relation to an exposure draft, the Commission will prepare the modern award.
16. The Vice-President may establish one or more Full Benches for the purpose of creating modern awards. Each modern award is to be created by a Full Bench.

Timing

17. The Commission is to complete the award modernisation process by 31 December 2014.
18. To that end, the Commission shall:
 - (a) endeavour by 31 January 2014 to have identified a list of awards for modernisation which are connected with the priority industries/occupations described at paragraph 19 of this request and developed a timetable for completing the modernisation process;
 - (b) as soon as practicable, but by no later than 30 June 2014, have created modern awards for each of the priority industries or occupations identified at paragraph 19 of this request; and
 - (c) review the existing award content applicable to the rail industry (which is derived from federal modern award content) such that it complies with the modern award requirements of the Act and endeavour to complete award modernisation for this industry in a time to facilitate bargaining before the nominal expiry date of current agreements.

List of priority industries/occupations

19. In developing a timetable for completing the award modernisation process, the Commission is required to prioritise the creation of modern awards covering the following industries or occupations:
 - (a) Health (as defined in Schedule 1);
 - (b) Local government (excluding Brisbane City Council);
 - (c) Public service (see paragraph 22 below);

- (d) Fire auxiliaries; and
- (e) Rail.

Local Government

20. When undertaking the award modernisation process with regard to the Local Government sector (excluding Brisbane City Council), the Commission is to give consideration to consolidating the *Queensland Local Government Officers Award 1998*; the *Municipal Officer's Award (Aboriginal and Islander Community Councils) Award 2004*; and the *Local Government Employees (Excluding Brisbane City Council) Award State 2003* (collectively, the Awards) and creating a new modern Local Government Industry Award covering employers and employees subject to those Awards.
21. When undertaking the award modernisation process with regard to the Local Government sector (excluding Brisbane City Council), the Commission is also to endeavour, where practicable, to review any other awards which underpin Local Government Agreements which nominally expire throughout the first half of 2014, in order that negotiations for the replacement of those agreements can be commenced in a timely manner.

Public Service

22. With reference to paragraph 19(c) above, the QIRC should give consideration to:
 - a) Making a single consolidated award for employees engaged in the Queensland public service in administrative, professional, technical and related 'white-collar' occupations under the following awards:
 - Queensland Public Service Award – State 2012
 - Legal Aid Queensland Employees' Award – State 2012
 - Parliamentary Service Award – State 2012
 - Workers Compensation Queensland Award – State 2012
 - Crime and Misconduct Commission Employees' Award – State 2012
 - Residential Tenancies Authority Employees' Award – State 2012
 - QRAA Award – State 2012
 - Agricultural Colleges of Queensland (Excluding Domestic and General Staff) Award – State 2012
 - Tourism Queensland Employees' Award – State 2012
 - Safe Food Production Queensland – Employees' Award 2012
 - Clerical Employees' Award – State 2012
 - GoPrint Award – State 2012
 - Queensland Building Services Authority Award – State 2012
 - b) Making a single consolidated award for employees engaged in the Queensland public service in operational and related 'blue-collar' occupations under the following awards:
 - Employees of Queensland Government Departments (Other than Public Servants) Award – State 2012

Conservation, Parks and Wildlife Employees' Award – State 2012
GoPrint Award – State 2012
Queensland Building Services Authority Award – State 2013
Residential Tenancies Authority Employees' Award – State 2012
Agricultural Colleges (Domestic and General Staff) Award – State 2012
Forestry Employees' Award – Department of Agriculture, Fisheries and Forestry 2012

Note: list of awards not intended to be exhaustive

Generic Awards

23. When modernising awards, the Commission is to give consideration to:

- a) the following generic awards:
 - i. Family Leave Award – State 2012;
 - ii. Family Leave (Queensland Public Sector) Award – State 2012;
 - iii. Training Wage Award – State 2012;
 - iv. Supported Wage Award – State 2012; and
- b) identifying any matters contained in these awards which the Commission considers are safety net terms and conditions and, if the Commission is satisfied that the matters are not adequately provided for in the QES and are permitted to be included in modern awards, the Commission should:
 - i. develop a consistent approach to include such matters in modern awards, or
 - ii. make a specific modern award or awards.

Community Police in the Torres Strait

24. When developing a timetable for completing the modernisation process, the Commission is to give consideration to prioritising the modernisation of awards covering Community Police in the Torres Strait which were affected by the transitional provisions of the Act.

Reporting on the progress of award modernisation

25. Once the Commission has identified a list of awards for modernisation which are connected with priority industries/occupations and developed a timetable for completing the award modernisation process, the Vice-President is to provide the Attorney-General with an initial report outlining the details of the timetable and any other matters which the Vice-President considers appropriate.

26. Following this initial report, the Vice-President is to provide the Attorney-General with a bi-monthly report outlining:

- (a) those industries and/or occupations undergoing or about to commence award modernisation;
- (b) the progress of award modernisation, including any significant developments during the previous two months and key issues or developments scheduled for the next two months;

- (c) any other matters which the Vice-President considers appropriate; and
- (d) a response to any matters raised by the Attorney-General.

27. The bi-monthly reports are due on:

- (a) 31 March 2014
- (b) 31 May 2014
- (c) 31 July 2014
- (d) 30 September 2014
- (e) 30 November 2014
- (f) 31 December 2014

Content

28. When modernising awards, the Commission is to have particular regard to Chapter 2A, Part 3 of the Act which deals with the content of modern industrial instruments, and more specifically the content of modern awards, including the provisions that are required to be included, are permitted to be included and must not be included in modern awards.

29. Each modern award must include:

- (a) A consultation term that satisfies the requirements of section 71M of the Act;
- (b) A dispute resolution term that satisfies the requirements of section 71MA of the Act;
- (c) A flexibility term that satisfies the requirements of section 71MB of the Act; and
- (d) Coverage provisions that satisfy the requirements of section 71MC of the Act.

30. When modernising awards, where there is any overlap or potential overlap in the coverage of modern awards, the Commission will as far as possible include clear rules in the modern awards that identify which award applies. As far as practicable, only one set of terms and conditions and one modern award should apply to any one employee at any point in time.

31. Consistent with section 71NB of the Act, a modern award may include provisions, other than non-allowable provisions, that are incidental to a provision that is required or permitted to be included in the instrument and are essential for making a particular provision operate in a practical way.

32. In creating a modern award, consistent with section 71NC of the Act, the Commission is to assess whether machinery provisions are necessary for the applicable industry or occupation, and where they should be included.

33. The Commission may include transitional arrangements in modern awards to ensure the Commission complies with the objects and principles of award modernisation set out in this award modernisation request.
34. Subject to this request and section 71NA of the Act, modern awards may also include provisions relating to the QES.

Interaction with the Queensland Employment Standards

35. The QES consist of comprehensive legislated core employment standards for all employees covered by the state industrial relations system. The QES establish a simple legislative framework of minimum entitlements with straightforward application or machinery rules that are essential to the operation of each entitlement. The QES will operate in conjunction with a relevant modern award to provide a fair safety net of minimum entitlements for award covered employees.
36. A modern award cannot exclude the QES or any provision of the QES.
37. A modern award may include any provision, other than a non-allowable provision, that provides for all or part of a matter that is provided for under the QES but only to the extent that the effect of the provision is no less favourable to an employee than the QES. A modern award may replicate a provision of the QES only where the Commission considers this essential for the effective operation of the particular modern award provision. Where a modern award replicates a provision of the QES, QES entitlements will be enforceable only as QES entitlements and not as provisions of the modern award.
38. A modern award may include any provision, other than a non-allowable provision, that is ancillary or incidental to the operation of the entitlement of an employee under the QES, but only to the extent that the effect of the provision is no less favourable to an employee than the QES.
39. A modern award may include any provision, other than a non-allowable provision, that supplements the QES where the Commission considers it necessary to do so to achieve the modern award objectives, having regard to the terms of this request and the existing award provisions for those employees. The Commission may only supplement the QES where the effect of the provision is no less favourable to an employee than the QES.
40. A modern award may include industry-specific detail about matters in the QES.

Minimum wage

41. In accordance with section 71ND of the Act, minimum wages are a matter that may be dealt with in modern awards. In dealing with minimum wages, the Commission is to have regard to the desire for modern awards to provide a comprehensive range of fair minimum wages for all employees including, where appropriate, piece rates and wages for young employees, employees with a disability and employees engaged as apprentices or trainees.

Allowances

42. Allowances should be clearly and separately identified in modern awards.
43. The Commission is to ensure that all modern awards include an appropriate method or formula for automatically adjusting relevant allowances when minimum wage rates are adjusted.

Ordinary hours of work

44. The Commission is to ensure that it specifies in each modern award the ordinary hours of work for each classification of employee covered by the modern award. The Commission is also to ensure that ordinary hours, or the process for determining ordinary hours, are specified for each type of employment permitted by the modern award (for example, part time, casual).

Consolidation and consistency

45. Throughout the award modernisation process, the Commission must seek to consolidate modern awards to:

- a) reduce the number of awards;
- b) avoid unnecessary overlap and duplication of coverage of awards;
- c) ensure consistency of content; and

ensure that the objectives in this paragraph are met for all modern awards prior to the completion of the process for the purposes of section 140CD of the Act. If necessary, the Commission may act in this regard of its own motion under section 140G(3)(a) of the Act.

46. To achieve the objectives outlined in paragraph 45 above, the consolidation process may result in a reduction in the number of modern awards initially made by the Commission. The consolidation process should not result in significant variation to any substantive terms and conditions of employment contained in modern awards made prior to the consolidation process. If this is to occur, the Commission is required to prioritise the consolidation of the modern awards covering the industries or occupations set out at paragraph 19 of this request.

Schedule 1 - Clause 19 (a) List of priority industries / occupations – Health

For the purposes of prioritisation, Health includes:

- a) medical officers
- b) nurses
- c) health practitioners, including dentists
- d) health support services, including professional, technical, operational and administrative officers,

and excludes:

- a) employees engaged in the Queensland Ambulance Service in any of the classifications outlined in the *Ambulance Service Employees' Award – State 2012*,
- b) engineering and maintenance in connection with health facilities.