

Committee Secretary  
Senate Education, Employment and Workplace Relations Committee  
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Canberra ACT 2600

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Thursday, November 22, 2012

Dear Secretary

### **Fair Work (Amendment) Bill 2012**

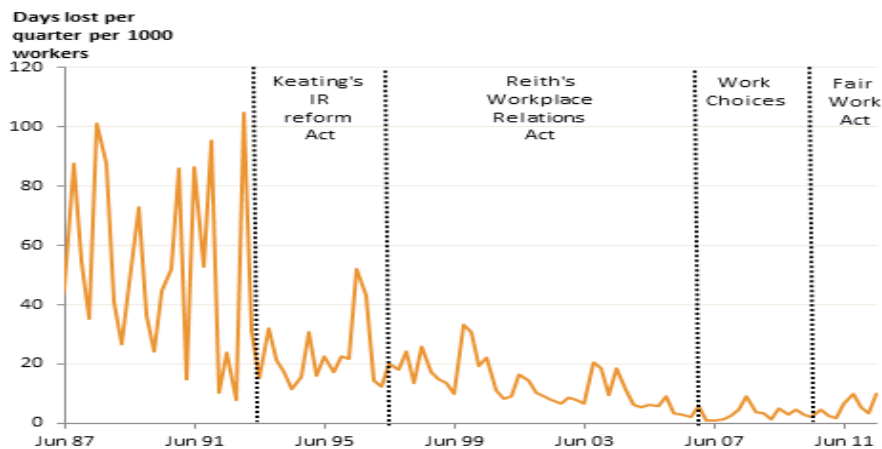
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I refer to the above Bill and to the inquiry hearing yesterday.

In the course of my answers to the Senators' questions without notice, I made reference, on the basis of my best efforts and recollections, to some statistics concerning days lost to industrial disputes, the incidence of work related injuries and the prevalence and coverage of enterprise agreements. I provide further information regarding these matters below.

#### **Industrial disputes and work related injuries.**

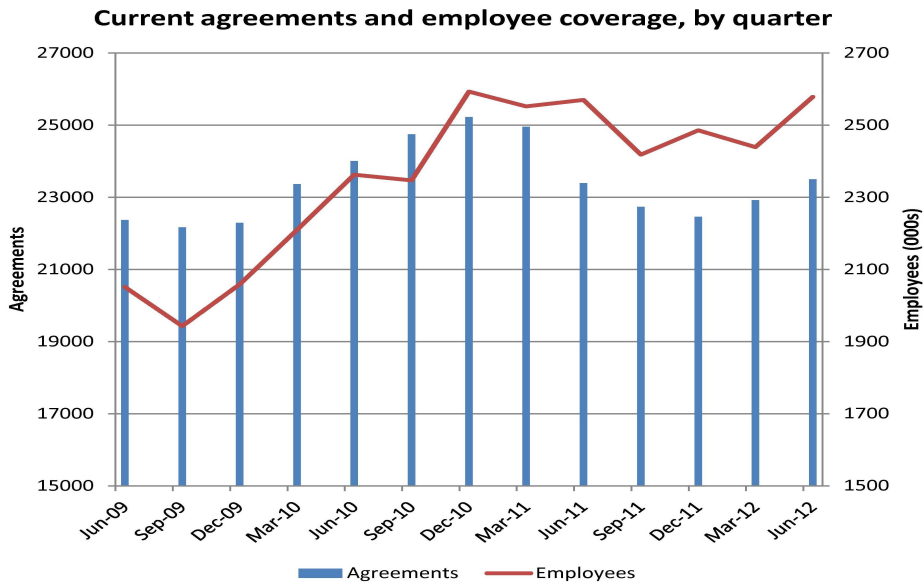
The Australian Bureau of Statistics (ABS) measure of Industrial Disputes was last updated to reflect the June quarter. This measure captures data from a number of sources and is not limited to disputes at workplaces covered by the *Fair Work Act 2009* ("the Act"). The ABS data indicates that Industrial Disputes rose sharply in the June quarter, up from 35,800 days lost in March to 101,700 days lost in June. This rise is due almost entirely to movements in two industries: Education & Training and Health Care & Social Assistance. Days lost in these industries rose from just 2,400 in March to 67,800 in the June quarter. It is to be recalled that a majority of employees in these industries are State Public Sector employees who (with the exception of Victoria) are not covered by the Act. Indeed, the biggest increase in working days lost was recorded in New South Wales, which rose from 2,900 days in the March Quarter to 50,100 in June. Taking a longer term view (see figures below), it is clear that current levels of industrial disputes are at historically very low levels even when one takes into account the peaks associated with large bargaining rounds.



Since the Act came into effect, there has been an average of 4.8 days lost to industrial disputes per 1000 employees per quarter. The ABS definition of “working days” lost is based on 8 hour day of work, such that a stoppage of work by 10 employees for one full day would be “10 working days lost”. Safe Work Australia reported in July of this year in “Australian Work Related Injury experience by sex and age 2009-2010” an incidence rate of workplace injuries of 57.9 per 1000 workers. The incidence of workplace injuries reported is therefore magnitudes greater than the incidence of working days lost to industrial disputes. It could be said that a worker is 12 times more likely to be injured at work than to go on strike, rather than 7 times more likely as was suggested in evidence.

### Agreement making

The level of agreement making and employee coverage is monitored by the Department of Education, Employment and Workplace Relations and reported in its quarterly “Trends in Enterprise Bargaining” reports. The report for the June quarter of 2012 indicates that there are 23,500 agreements covering 2.58 million employees. Almost 70 per cent of those agreements were enterprise agreements approved under the Act. Historical data going back to 2009 demonstrates a general upward trend both in agreement numbers and employees covered, as demonstrated below.



By comparison, DEEWR data from its report “Agreement making in Australia under the Workplace Relations Act 2004-2006” shows that as 31 December 2006, there were 15,673 collective agreements covering 1.89 million employees. ABS data referred to in the technical notes to the June 2012 DEEWR report indicates that the number of non-managerial employees covered by federally registered collective agreements rose from 28.5 per cent in 2006 to 29 per cent in 2008 to 33.1 per cent 2010.

I trust the above information is of use to the Committee.

Yours faithfully,

**TIM LYONS**  
**Assistant Secretary**