



6 April 2017

Senator Bridget McKenzie  
Chair  
Senate Education and Employment Legislation Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
By email: [eec.sen@aph.gov.au](mailto:eec.sen@aph.gov.au)

Dear Senator,

**Fair Work Amendment (Repeal of 4 Yearly Reviews and Other Measures) Bill 2017**

Thank you for the opportunity to make a submission in relation to the *Fair Work Amendment (Repeal of 4 Yearly Reviews and Other Measures) Bill 2017* (the bill).

The National Farmers' Federation welcomes the bill, and in particular:

1. repeal of the requirement to undertake four-yearly modern award reviews;
2. simpler rules and processes for the approval of enterprise agreements.

The modern award review has become a significant and resource intensive undertaking for all concerned. The requirement to review all awards every four years is excessive, and it has now become evident that the process will take significantly longer than four years, given the enormity of the task.

Without legislative intervention, the safety net established by modern awards will remain in a perpetual cycle of review. The result would continue to be an extraordinary allocation of resources to a process of identifying and advocating for changes that few actually want, most could live without or achieve through enterprise bargaining, and that more often than not increase red tape and labour costs.

The NFF understands that the approach to transitional arrangements will allow a further two years for the review to complete. A better approach would be for matters currently on foot to be finalised, but only where evidence has been filed and a hearing is either imminent or underway. Matters where there has been no progress other than the making of a claim should be guillotined, to limit the burden on stakeholders in continuing to see the process out.

The NFF welcomes the common-sense approach to approval of enterprise agreements in the bill. Simplifying the approval process for enterprise agreements and creating certainty for business that negotiated agreements will be approved, and valid for their life, is vital to restoring confidence in enterprise bargaining more broadly.

Recent decisions, while presumably legally correct, have shown how current provisions of the *Fair Work Act 2009* can sometimes operate in a farcical manner. It is not an appropriate outcome if getting the name of the independent umpire wrong can derail an entire bargain struck over many months, with a significant investment on both sides of the bargaining table. All it means is lost wages for employees and significantly higher costs of doing business.

The bill will help to restore confidence in bargaining by allowing enterprise agreements to be approved if they do not comply with minor procedural or technical requirements of the Fair Work Act approval process, in circumstances where employees are not likely to be disadvantaged.

These two reforms are long overdue and we urge the swift passage of the bill through the Parliament.

Thank you for the opportunity to make this submission.

Yours sincerely,

**TONY MAHAR**  
**CHIEF EXECUTIVE**

