



Minister for Employment and Industrial Relations
Minister for Racing
Minister for Multicultural Affairs

In your reply please quote: 1600755/1, 3430617

10 OCT 2016

Mr Stephen Palethorpe
Committee Secretary
Senate Education and Employment Committee
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Dear Mr Palethorpe

The Queensland Government acknowledges that submissions have now closed for the *Education and Employment Legislation Committee (the Committee) inquiry into the Fair Work Amendment (Registered Organisations) Bill 2016 (the FWRO Bill)* and appreciates the Committee's consideration in accepting this submission.

The Queensland Government notes that the FWRO Bill proposes to amend the *Fair Work Registered Organisations Act 2009 (FW(RO) Act)* and the *Fair Work Act 2009 (FW Act)* to provide for a Registered Organisations Commission to monitor and regulate federally registered organisations.

The Queensland Government does not support the establishment of a separate watchdog for registered industrial organisations in the national system. In our submission, the Fair Work Commission is sufficiently empowered to monitor and investigate issues that impact on registered organisations.

Should a separate commission be established, the Queensland Government is concerned about the introduction of unchecked coercive investigation powers with the potential for those powers to infringe individual rights and liberties.

The Queensland Government notes that the FWRO Bill in its current form was introduced into the previous federal parliament on three occasions, and was submitted to the senate committee for consideration twice. Submissions to those committee processes highlighted significant stakeholder concern with the proposed provisions of the FWRO Bill. Those concerns remain unchanged and are unaddressed.

The Queensland Government has a strong commitment to maintaining effective, transparent and accountable governance and reporting obligations for all registered industrial organisations. The Queensland Government respects the vital role played by registered organisations in promoting a healthy and well-balanced industrial relations system, both within Queensland and across Australia. The Queensland Government does not tolerate unlawful behaviour by any party in the industrial relations system.

A review of the industrial relations framework in Queensland has recently been undertaken which, among other things, considered the most appropriate model for the regulation of registered organisations in the state system. The review was undertaken by an independent Reference Group comprised of representatives of key stakeholders from across the spectrum, including unions and employer organisations, the Queensland Bar Association and Law Society, government agencies and the Local Government Association of Queensland.

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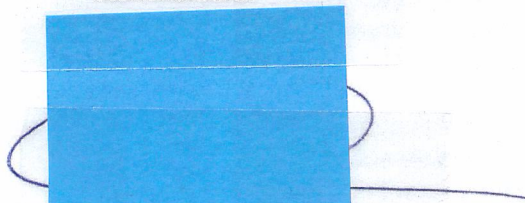
The review found that the current financial and accountability requirements introduced by the Newman Government into Chapter 12 of the *Industrial Relations Act 1999 (Qld)* were prescriptive and onerous, especially when most organisations are also required to separately comply with provisions of the FW(RO) Act. The report also noted that these standards exceed those which apply to most companies, and to other membership based organisations.

The key recommendations of the review were that the regulation of industrial organisations should be applied equally to both employer and employee organisations in relation to reporting, including financial reporting and other obligations. It was recommended that reporting, accountability and training requirements should be consistent with those of the FW(RO) Act and that reporting under the FW(RO) Act should be deemed to be compliant with the requirements of the state Act where the Industrial Registrar is provided the relevant documentation. These recommendations, including increases in penalties for breaches were strongly supported by all reference group members demonstrating the benefit of genuine consultation with stakeholders in the legislative reform process.

The consultative approach was continued in the development of the new Act where stakeholders were consulted on Queensland's industrial relations laws and related matters. The Industrial Relations Bill 2016 (IR Bill) was introduced into the Queensland Parliament on 1 September 2016. The provisions of the IR Bill relevant to industrial organisations are aimed at promoting democratic control and good governance by ensuring that reporting, training and other obligations deliver accountability to members, rather than unnecessary and unproductive red tape.

It is also worth noting that whilst that FWRO Bill seeks to impose tougher regulation on registered organisations, a growing number of organisations purporting to represent both employer and employees exist. Such organisations operate without any regulation and accountability frameworks. The Queensland Government is concerned that further increasing the regulatory burden will act as a disincentive for such organisations to seek registration.

The Queensland Government submits that the Committee should recommend rejecting the FWRO Bill as it currently stands and that the Australian Government should engage with the interested parties in a consultative and cooperative manner. The recent process undertaken by the Queensland Government demonstrates the benefit of genuine consultation with stakeholders.



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