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Committee Secretary
Senate Education and Employment References Committee
Australian Parliament House
PO Box 6100
CANBERRA ACT 2600

Re: Inquiry into the Provisions of the Fair Work (Registered Organisations) Amendment Bill 2013

I write with reference to the Inquiry into the Provisions of the Fair Work (Registered Organisations) Amendment Bill 2013 established by the Education and Employment References Committee and provide the following observations from the perspective of our registered organisation, The Civil Air Operations Officers' Association of Australia ("Civil Air").

Civil Air was registered in 1948 to represent the industrial and professional interests of employees in civilian Air Traffic Control and related air traffic service personnel. Today, the organisation has expanded in a discrete way to also incorporate representation of civilian ATCs working in Defence. The size of our organisation is correlated to the size of the occupation field we represent which is quite small. With 1,100 members and an annual revenue of 2.2 million dollars, we are, like other smaller registered organisations, becoming frustrated with the quantum of regulatory compliance and also the rate of change in this area over the past 18 months.

The Terms of Reference of the Inquiry obviously apprehend the difficulties currently being experienced by many registered organisations in a myriad of ways. I hope through providing our perspective of the changes proposed by the *Fair Work (Registered Organisations) Amendment Bill 2013* that we can highlight some of the issues that we have encountered and possible areas of concern that we have about the future impact of these further changes.

By way of background, our organisation provided its application for alteration of its Rules consistent with the requirements effected by the *Fair Work (Registered Organisations) Amendment Act 2012 (Cth)* on 30 May 2013 to meet the then deadline of 29 June 2013. The riding instructions from the Fair Work Commission were that organisations needed to provide enough time for filing and processing of rules. Once lodged however, this efficiency actually put us at some disadvantage as the *Fair Work Amendment Act 2013 (Cth)* was introduced on 29 June 2013 to extend the time frame for compliance to 1 January 2014. This also meant a further set of amendments to the rules had to be processed in addition to the original.

We are now faced with yet another set of prospective rule changes as contained in the *Fair Work (Registered Organisations) Amendment Bill 2013* that will require further incorporation. The alterations to the Rules that Civil Air lodged on 30 May 2013 were only approved by the Fair Work Commission on 10 January 2014. This process is like being on a merry-go-round.



The administrative aspects of these Rule changes are numerous and time consuming. As an organisation that has always dutifully acquitted its responsibilities under the reporting requirements, it has the distinct feeling of being punished when you have not been guilty of any wrongdoing.

The terms of reference cover:

- a. The potential impact of the amendments to interfere with the ongoing operation of the registered organisations in Australia; and
- b. The potential of the amendments to impede the ability of employees of registered organisations to carry out their duties.

In relation to (a), the changes proposed in the Bill largely focus upon the establishment of the Registered Organisations Commission and increased disclosure requirements and investigation powers and penalties. We make the point in relation to this proposal that registered organisations have just completed an exhaustive process associated with the other amendments referred to and will now need to embark on yet another rules transaction process. This is actually onerous and can only negatively impact upon the amount of time that we have available to actually undertake the objects of our registered organisation which is, principally, to promote the interests of our members.

We will also be required to develop a relationship with yet another body to whom we will need to explain who we are, what we do, etc and yet Civil Air members have never or rarely been unhappy with the way that we conduct our affairs on their behalf.

The regulatory compliance and quantum of penalties is in line with what is applied to big businesses and seems inappropriate for the not-for-profit sector and even more inappropriate for a small scale operation like ours that is largely run by volunteers who have full time employment as Air Traffic Controllers.

In relation to (b), we have a concern about the potential impact of new subsection 293BC(2) and endorse the position described in the submission of the Masters Builders Association in that persons who would ordinarily be considered as employees of an organisation will be considered an officer of the organisation if the relevant rules of the organisation authorises that person to determine policy for the organisation. We suggest that the intention of this subsection needs to be clarified so that the financial disclosure is only required for persons holding *elected* positions within the registered organisation, not where personnel are engaged under a contract of employment and paid to provide advice and direction to the registered organisation.

We thank the Committee for the opportunity to provide a submission to the Inquiry.

Yours faithfully,

Jane Ponton
INDUSTRIAL OFFICER