

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Additional Estimates 2012-2013**

Agency - Fair Work Commission

DEEWR Question No. EW0885_13

Senator Abetz asked on 13 February 2013, Hansard page 16

Question

Regulatory Compliance - Musicians Union, Tasmania

Ms Carruthers: And certainly there are other regulatory tools in our toolkit that we seek to use with registered organisations where things are not working terribly effectively. For instance there is the capacity for an organisation to seek to have alternative reporting units, which requires an application to be made and to be heard by the general manager. That is something we strongly encourage. If there is, for instance, a small branch that does not have particularly good resourcing, is not functioning terribly effectively and could more effectively have its finances administered, say by the national office or by a bigger branch, that is certainly something that we have active discussions with organisations on an individual basis, because we are trying to ensure that members get the information about their financial management. Senator ABETZ: Which is vitally important-but that is happening now; it did not occur in the past? Ms Carruthers: I do not think it would be accurate to say it did not occur in the past; I think it would be accurate to say that there is a greater emphasis on that at this stage. Senator ABETZ: Take on notice what emphasis there was on that in 2002, 2003, 2004, right through to 2012 with the Musicians Union in Tasmania. ... Ms Carruthers: Certainly, Senator, I do know there has been a lot of correspondence with the various branches of the Musicians Union regarding their failure to lodge outstanding documents. But we can compile a list of the correspondence and take that on notice.

Answer

The Fair Work Commission has provided the following response:

Records of the Fair Work Commission indicate that discussions first occurred in December 2012 between staff of the Fair Work Commission (and its predecessors) and the Musicians' Union of Australia (including the Hobart Branch) concerning the organisation/branch making application under section 246 of the *Fair Work (Registered Organisations) Act 2009* for a certificate stating that the organisation is, for the purposes of Part 3 of Chapter 8 of that Act (regarding accounts and audits), to be divided into reporting units on an alternative basis. Ongoing discussions and advice concern the making of an application by the organisation for the whole of the organisation to constitute one reporting unit for the purposes of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

Records of the Fair Work Commission indicate that the following correspondence and discussions have occurred with the Hobart Branch of the Musicians' Union of Australia concerning the following financial reports:

Financial report for the year ended 30 June 2002

- 01/10/02 Courtesy reminder letter sent to Branch
- 09/04/03 Reminder letter sent to Branch
- 16/05/03 Filing letter sent to Branch

Financial report for the year ended 30 June 2003

- 15/07/03 Courtesy reminder letter sent to Branch
- 06/04/04 Reminder letter sent to Branch
- 22/04/04 Letter from Branch explaining delay in audit
- 01/07/04 Email from Branch advising of anticipated lodgement in August
- 24/09/04 Email to Branch requesting advice
- 27/10/04 Telephone discussion - lodgement anticipated after Special meeting in November 2004
- 21/02/05 Telephone discussion - Branch thought it had lodged Report
- 01/03/05 Filing letter sent to Branch

Financial report for the year ended 30 June 2004

- 01/07/04 Courtesy reminder letter sent to Branch
- 23/11/04 Courtesy reminder letter sent to Branch
- 12/04/05 Reminder letter sent to Branch
- 03/04/06 Email to Branch requesting advice on outstanding 2004 report
- 03/05/06 Telephone discussion - auditor resigned, new auditor sought

The following correspondence also related to the financial reports for years ended 30 June 2005, 30 June 2006, and 30 June 2007.

- 20/08/08 Letter sent to Branch requesting progress advice
- 11/09/08 Further letter sent to Branch requesting progress advice
- 19/09/08 Application for extension of time lodged
- 26/09/08 Letter of acknowledgment of application sent to Branch
- 16/10/08 Letter sent to Branch advising application for extension refused

The following correspondence also related to the financial reports for years ended 30 June 2005, 30 June 2006, 30 June 2007, and 30 June 2008

- 20/02/09 Letter sent to Branch requesting progress advice
- 14/04/09 Letter sent to Branch requesting progress advice
- 28/05/09 Letter sent to Branch requesting progress advice
- 28/05/09 Letter sent to Federal Secretary requesting his assistance/intervention
- 18/06/09 Letter from Federal Secretary advising Federal Conference will consider how to assist Branch with outstanding reports

The following correspondence also related to the reports for years ended 30 June 2005, 30 June 2006, 30 June 2007, 30 June 2008 and 30 June 2009

- 20/01/10 Letter sent to Branch requesting progress advice
- 21/09/10 Email sent to Federal Secretary requesting progress advice
- 24/12/10 Email from Federal Secretary advising audits expected by February 2011
- 05/04/11 Email sent to Federal Secretary requesting progress advice
- 07/04/11 Email from Federal Secretary advising errors in audits
- 04/05/11 Email from Federal Secretary advising audit corrections being Undertaken

The following correspondence also related to the reports for years ended 30 June 2005, 30 June 2006, 30 June 2007, 30 June 2008, 30 June 2009 and 30 June 2010.

- 15/07/11 Reminder letter sent to Branch requesting progress advice
- 05/08/11 Telephone discussion - Federal Secretary undertook to contact Branch Secretary and advise progress
- 24/08/11 Telephone discussion - Federal Secretary advised reports with Auditor and undertook to advise progress
- 12/10/11 Telephone discussion - Federal Secretary advised auditor had indicated audit would be completed by end October 2011
- 07/11/11 Email sent to Federal Secretary requesting progress advice
- 08/11/11 Email from Federal Secretary advising audit delay due to further information required by auditor who is to advise expected completion date
- 01/02/12 Reminder letter sent to Branch
- 09/02/12 Telephone discussion - Federal Secretary undertook to advise status
- 20/02/12 Email sent to Federal Secretary requesting progress advice
- 29/02/12 Telephone discussion - Federal Secretary advised reports still with auditor who was difficult to contact
- 29/02/12 Letter sent to Federal Secretary and Branch re outstanding reports
- 07/03/12 Telephone discussion - Federal Secretary advised auditor had not yet completed audits
- 09/03/12 Email from Federal Secretary confirming previous advice
- 17/04/12 Telephone discussion - Federal Secretary undertook to forward draft documents before formally lodging
- 24/04/12 Telephone discussion - Federal Secretary undertook to obtain documents for forwarding
- 02/05/12 Email from Federal Secretary - documents not yet obtained
- 09/05/12 Statements for 2004-2009 provided by email from Federal Secretary
- 09/05/12 Email to Federal Secretary requesting other years' statements
- 10/05/12 Letters to Federal Secretary and Branch Secretary identifying deficiencies, requesting complete re-preparation and audit
- 18/05/12 Telephone discussion - Branch Secretary apologised for state of reports and undertook to commence correction immediately
- 18/05/12 Email sent to Branch Secretary with reference material and further technical advice
- 21/05/12 Telephone discussion - Branch Secretary confirmed the commencement of corrections
- 22/05/12 Email from Branch confirming previous advice and undertaking

- 29/05/12 to advise further progress
Telephone discussion - Branch Secretary advised first meeting scheduled for 2-3 June 2012
- 20/06/12 Telephone discussion - Branch Secretary advised presentation scheduled for 20 June 2012 and imminent lodgement
- 04/07/12 Telephone discussion - Branch Secretary advised presentation and lodgement to occur after his return home
- 12/07/12 Telephone discussion - Branch Secretary advised returns to be posted today
- 17/07/12 Reports lodged
- 23/07/12 Telephone discussion - Commission advised Federal Secretary reports incorrect and would have to be re-prepared and re-audited.
- 25/07/12 Letter sent to Branch Secretary directing remedial actions to compliant reports
- 01/08/12 Email from Federal Secretary undertaking to assist to rectify reports
- 07/09/12 Email from Federal Secretary attaching draft documents for comment prior to formal lodgement
- 07/09/12 Telephone discussion - remaining issues to correct identified
- 14/09/12 Email sent to Federal Secretary requesting progress advice
- 18/09/12 Email from Federal Secretary advising lodgement next week
- 03/10/12 Telephone discussion- Federal Secretary advised corrected documents being provided to members
- 09/10/12 Email from Federal Secretary attaching draft certificates
- 19/10/12 re-audited financial report lodged

Financial report for the year ended 30 June 2005

The following correspondence was specifically related to the report for year ended 30 June 2005 in addition to correspondence listed above

- 30/05/05 Courtesy reminder letter sent to Branch
- 19/01/06 Reminder letter sent to Branch

Financial report for the year ended 30 June 2006

The following correspondence was specifically related to the report for year ended 30 June 2006 in addition to correspondence listed above

- 01/08/06 Courtesy reminder letter sent to Branch
- 16/01/07 Reminder letter sent to Branch
- 29/07/08 Reminder letter sent to Branch requesting advice

Financial report for the year ended 30 June 2007

The following correspondence was specifically related to the report for year ended 30 June 2007 in addition to correspondence listed above

- 18/07/07 Courtesy reminder letter sent to Branch

- 21/01/08 Reminder letter sent to Branch

Financial report for year ended 30 June 2008

The following correspondence was specifically related to the report for year ended 30 June 2008 in addition to correspondence listed above

- 10/07/08 Courtesy reminder letter sent to Branch
- 19/09/08 Application for extension of time lodged
- 26/09/08 Letter of acknowledgment of application sent to Branch
- 16/10/08 Letter sent to Branch advising application for extension granted

Financial report for the year ended 30 June 2009

The following correspondence was specifically related to the report for year ended 30 June 2009 in addition to correspondence listed above

- 27/07/09 Courtesy reminder letter sent to Branch

Financial report for the year ended 30 June 2010

The following correspondence was specifically related to the report for year ended 30 June 2010

- 27/07/10 Courtesy reminder letter sent to Branch
- 18/05/12 Telephone discussion - Branch Secretary apologised for state of reports and undertook to commence correction immediately and complete 2010 audit after June
- 1/08/12 Email from Federal Secretary advising 2010 report also in defective form
- 03/10/12 Telephone discussion- Federal Secretary advised 2010 records and accounts with auditor
- 30/11/12 Letter from Delegate sent to Branch advising commencement of investigation
- 07/12/12 Copy of email from Branch to auditor requesting progress advice received
- 10/12/12 Email from Branch attaching auditor's advice as to status of audit
- 20/12/12 Email from Branch advising status of report preparation

Financial report for the year ended 30 June 2011

The following correspondence was specifically related to the report for year ended 30 June 2011

- 21/07/11 Courtesy reminder letter sent to Branch
- 17/01/12 Reminder letter sent to Branch
- 18/05/12 Telephone discussion - Branch Secretary apologised for state of reports and undertook to commence correction immediately and complete 2011 audit after June
- 01/08/12 Email from Federal Secretary advising 2011 report also in defective form
- 03/10/12 Telephone discussion- Federal Secretary advised 2011 records and accounts with auditor
- 30/11/12 Letter from Delegate sent to Branch advising commencement of investigation
- 07/12/12 Copy of email from Branch to auditor requesting progress advice received
- 10/12/12 Email from Branch attaching auditor's advice as to status of audit
- 20/12/12 Email from Branch advising status of report preparation

Financial report for the year ended 30 June 2012

The following correspondence was specifically related to the report for year ended 30 June 2012

- 16/07/12 Courtesy reminder letter sent to Branch
- 07/12/12 Copy of email from Branch to auditor requesting progress advice received
- 10/12/12 Email from Branch attaching auditor's advice as to status of audit
- 20/12/12 Email from Branch advising status of report preparation
- 23/01/13 Letter under paragraph 7.4 sent to Branch