

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

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

**Agency - Fair Work Australia**

**DEEWR Question No. EW0170\_13**

**Senator Abetz asked on 28 May 2012, Hansard page 43**

**Question**

***FWA - Approval of enterprise agreements***

Ms O'Neill: Do you mean, is there a trend in relation to the proportion of agreements that are not approved? Senator ABETZ: Yes. Ms O'Neill: Not off the top of my head. I can take that on notice. I am not sure to what extent, but we will do our best to answer that. Senator ABETZ: If you could. For example, the enterprise agreement between McDonald's and the SDA was initially not approved, but was then approved on appeal. Would your statistics indicate the initial non-approval, or would they be corrected for the appeal which later approved? If you want to take that on notice feel free to do so, just so that I get a better understanding of what we are actually dealing with. Ms O'Neill: I will.

**Answer**

Fair Work Australia has provided the following response.

The following table compares the total of agreements not approved to applications lodged in the corresponding period.

| Period              | Number of applications | Agreements not approved | Percentage of agreements not approved |
|---------------------|------------------------|-------------------------|---------------------------------------|
| 1 Jul -31 Dec 2009  | 4030                   | 123                     | 3.05%                                 |
| 1 Jan - 31 Dec 2010 | 7363                   | 136                     | 1.85%                                 |
| 1 Jan - 31 Dec 2011 | 7285                   | 47                      | 0.65%                                 |
| Total               | 18,678                 | 306                     | 1.64%                                 |

The data shows a greater proportion of agreements not approved compared to applications made in the first 6 months of the operation of the Fair Work Act 2009(Cth).

A decision to not approve an agreement is entered into the case management system at the time of the initial decision. The case management system entry is not subsequently changed if an appeal against the decision is upheld and the agreement ultimately approved on appeal.

In the period 1 July 2009 to 31 December 2011 eleven decisions to not approve an agreement were the subject of appeal. Of these, nine decisions were overturned, resulting in the agreement being approved on appeal. Two decisions were upheld, with the original decision to not approve the agreement unchanged.