

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

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2011-2012**

Agency - Fair Work Ombudsman

DEEWR Question No. EW0739_12

Senator Abetz asked on 19 October 2011 , Hansard page 40

Question

FWO - Uncertainty by employees regarding different awards

Senator ABETZ: I am referring to a media release of 18 May, 2011, by the Housing Industry Association. Sorry, it is a member alert, not a media release—so if you are unable to access it let me know and I can provide a copy—in which the HIA makes certain observations about businesses in the kitchen and bathroom industry that could be covered by up to four different awards and then they list those four awards. They talk about the confusion and then they say, and this is the direct quote: For some time now HIA has been pressing the government for a resolution. In response, the Fair Work Ombudsman is now undertaking a research project to gain a better understanding of industry practices with a particular focus on the manufacture and installation of inbuilt furniture and roof truss manufacture. The Fair Work Ombudsman has indicated that it intends to develop a simple checklist to provide greater certainty when considering award coverage. This rings no bells? Mr Wilson: It rings a faint bell. My recollection of the matter is that there have been some approaches. I was not sure that it was from the HIA, but certainly in respect of some aspects of the furniture industry I recall that there were dialogues. Unfortunately, I cannot recollect the detail of that. I would need to take that on notice. Senator ABETZ: If you could. I welcome these sorts of collaborations with industry groups. I get it from a number of different areas that genuine employers, especially in the small business sector, are just at a loss to know which award their workers should fit under and sometimes there are real problems. We are told that it is common for an off-site business—that is a building business that is off site—to provide services to the public in areas of kitchen and bathroom renovation, laundry and wardrobe fit-outs, custom-made home furniture, shop fit-outs and timber flooring. Then the question is: which modern award should apply? Should it be the Timber Industry Award, the Joinery and Building Trades Award, the Building and Construction or the Manufacturing and Associated Industries awards? I think we can agree there can be room for some confusion and, if you are working to help sort that out I congratulate you on that, welcome that and look forward to the answer on notice. Mr Wilson: We will take that on notice.

Answer

The Fair Work Ombudsman provided the following response.

The Fair Work Ombudsman recently completed a research project about modern award coverage for employees engaged in the manufacture of inbuilt furniture from wood. This occurred after a number of parties sought clarification in differentiating

coverage between the *Timber Industry Award 2010* [MA000071] and the *Joinery and Building Trades Award 2010* [MA000029].

The research project included visits to work sites in Victoria and New South Wales, as well as consultations with a number of relevant industry participants.

On 11 July 2011, the Fair Work Ombudsman provided a draft paper for discussion to a number of industry participants, including:

- Furnishing Industry Association of Australia
- Housing Industry Association
- Master Builders Association
- VECCI
- Business SA
- NSW Business Chamber
- CFMEU construction division
- CFMEU forestry division
- Cabinet Makers Association
- Tasmanian Chamber of Commerce and Industry, and
- Chamber of Commerce and Industry Western Australia.

Resulting from the research project, the Fair Work Ombudsman has advised the relevant industry participants of its view that employees who are engaged primarily to manufacture inbuilt furniture from timber or timber-like products are covered by the *Timber Industry Award 2010*.

It is also the Fair Work Ombudsman's view that employees primarily engaged in shop fitting or the manufacturing of shop fittings are covered by the *Joinery and Building Trades Award 2010*.