



TEYS BROS. (HOLDINGS) PTY. LTD.

A.C.N. 009 872 600 A.B.N. 38 009 872 600

HEAD OFFICE: LOGAN RIVER ROAD, BEENLEIGH, QUEENSLAND, AUSTRALIA

Postal Address: P.O. Box 15, Beenleigh, Australia 4207

Phone: 61 7 3287 2188 Fax: 61 7 3808 0003

SUBMISSION ON BEHALF OF TEYS BROS (HOLDINGS) PTY LTD TO THE SENATE INQUIRY INTO THE WORKPLACE RELATIONS AMENDMENT (TRANSITION TO FORWARD WITH FAIRNESS) BILL 2008

The Teys Bros Group of Companies is a large, corporate employer primarily involved with beef manufacturing and exporting, although also operating ancillary businesses. It is Australia's largest privately owned meat processor and employs over 2,400 people at its seven operational sites.

At four of those sites, Australian Workplace Agreements (AWA's) are the prevailing industrial instrument governing terms and conditions of employment for some four hundred (400) full time, part-time and casual employees.

Teys Bros wants to raise but one issue with the inquiry regarding the proposed transitional legislation, and that issue (summarised) is the apparent inability and/or impracticality to transition employment arrangements from AWA's to a collective agreement, even when such a transition is a clear and unambiguous desire of the employer and all or a majority of relevant employees. .

After receiving legal advice on the likely impact of the proposed legislation should it be enacted without amendment, Teys Bros is concerned that there is apparently not going to be a sensible mechanism to allow employers and employees who have current unexpired (or nominally expired) AWA's to move to a collective agreement, without the employees having to terminate their AWA's. If our advice on this matter is incorrect we will be relieved. However we are assured it is correct and it would be surprising if this was anything but an oversight, given the Government's clear intention to promote the primacy of collective agreements under its forward with fairness system. .

All our current AWA's have yet to reach their nominal expiry date with the next occurring expiry dates arising in September 2008. By virtue of Sections 348(2), 336 and 327 of the amended Act, it seems we will be prevented from making a new collective agreement to regulate employment conditions on any of these sites. In fact, if we put an employee or Union collective agreement forward, none of our current employees will, be eligible to vote on it, unless and until their current AWA nominally expires or they agree to terminate it.

If we do not have a collective agreement in place by the time the transitional legislation receives assent, we will be forced to employ some new employees on ITEA's. Former employees will be precluded from finalising an ITEA with us, so the only avenue to govern

their future employment will be via the Federal Meat Processing Award.

Any ITEA will have to undergo assessment via a no disadvantage test whereupon the ITEA'S will, upon our research and advice, need have to become very different documents to our standard AWA's, almost certainly resulting in new employees having superior benefits to our existing employees and/or being in congruent with current work arrangements at our four relevant sites.

As ITEA's are not an option for former employees, casual backpackers for example who have worked for us before and are "back in town" to coin a phrase, will need to be employed under the Award. The provisions of the Award are so incompatible with our AWA's and the organisation of our business, industrial chaos and inconsistency will prevail or we will be forced to cease engaging new employees, threatening production, reducing employment opportunities in the rural towns in which we operate and potentially affecting livelihoods of local cattle producers.

We urge the Government to ensure there is a mechanism for a collective agreement properly agreed by a valid majority of employees to supplant all AWA's on a particular site with all employees on that site who are intended to be covered by the CA, being eligible to vote.

John Salter
General Manager
Workplace Relations
7 March 2008