

## Modern awards are on their way

The Federal Government has directed that the Australian Industrial Relations Commission (AIRC) modernise all awards. The AIRC has begun a series of hearings to determine which awards will be the first awards to be modernised. The objectives of the award modernisation process are to develop awards which:



- are “simple to understand and easy to apply, and must reduce the regulatory burden on business”;
- “provide a fair minimum safety net of enforceable terms and conditions of employment for employees;
- “must be economically sustainable and promote flexible modern work practices and the efficient and productive performance of work”

The new awards will come into effect from 1 January 2010. Until then existing awards will continue to apply.

### National Pay Increase Decision

The Fair Pay Commission has completed its consultation on whether

there should be an increase to the pay scale rates. It is expected that a decision will be handed down in July with any increase taking effect in October 2008. Any increase awarded will apply to all those businesses that now operate within the federal industrial relations system (i.e. those businesses covered by federal awards or agreements or those businesses that are constitutional corporations and are covered by preserved state awards).

### NSW State Wage Case

The NSW Government estimates that over 250,000 employees are still covered by NSW state awards that are administered by the NSW Industrial Relations Commission (these are businesses that are not constitutional corporations such as unincorporated bodies and partnerships). In order to determine whether the wages of these employees should be increased the NSW Industrial Relations Commission held its 2008 State Wage Case in May. A decision is expected soon. The NSW Government has sought a \$20 a week increase whilst NSW Unions asked for a 4.5% increase.

### No Disadvantage Test

As we reported in our last newsletter, the Government has introduced new legislation relating to the making of collective agreements. All agreements are now subject to the no disadvantage test. This test compares the employment conditions in an agreement against

either the relevant award or prior agreement. The test applies to all agreements including collective agreements, greenfield agreements and interim transitional employment agreements (ITEAs).

The Workplace Authority has recently published a guide on agreement making and the application of the no disadvantage test. It also explains what happens if the agreement does not pass the test. The guide can be accessed at <http://www.workplaceauthority.gov.au/docs/ndt/NDTPolicyGuide.pdf>

If you would like further information on the making and lodging of an agreement under the new provisions, contact WorkSight.



### Workplace Relations Fact Sheets

The Workplace Ombudsman has recently produced a range of Fact Sheets to assist employers and employees understand their rights and responsibilities in the workplace. Some of the issues covered by the fact sheets include:

- The powers of workplace inspectors

- Freedom of information
- Time and wages record keeping
- Payslips
- Termination of employment
- Agreement making
- Public holidays and leave entitlements

These fact sheets can be found at <http://www.wo.gov.au/asp/index.asp?sid=7407&page=fact-sheets-view&cid=5371&id=763>



## Is paid parental leave on its way to Australia?

The Productivity Commission is currently investigating whether a system of paid parental leave should be introduced for Australian workers. The Commission is required to "inquire into the economic and social costs and benefits of paid maternity, paternity and parental leave". The Commission will issue a draft report on 2 September 2008.

If you interested to see how few Australian workers are currently entitled to some form of paid parental leave compared with other countries in the world have a look at the Productivity Commission's issues paper at [http://www.pc.gov.au/\\_\\_\\_data/assets/pdf\\_file/0011/78491/parentalsupport.pdf](http://www.pc.gov.au/___data/assets/pdf_file/0011/78491/parentalsupport.pdf)

## Legislative changes in Victoria

### Anti-discrimination

Employers should be aware of recent changes to the Victorian Equal Opportunity Act. From 31 March 2008 it is unlawful for Victorian

employers to discriminate against employees for:

- Making a reasonable request for information regarding their employment entitlements;
- Communicating concern about their employment entitlements.

Further changes will come into effect from 1 September 2008 when it will become unlawful for an employer to unreasonably refuse to accommodate the responsibilities that an employee has as a parent or a carer.

The legislation specifies that the following examples would constitute reasonable accommodation of the responsibilities of a parent or carer:

- Allowing the employee to work from home on a particular morning;
- Allowing a later start time on a particular day;
- Rescheduling a regular staff meeting so the employee can attend, if the employee works on a part time basis;
- Allowing a contract worker to have flexible start, finish or break times.



WorkSight recommends that Victorian employers review their policies and practices in relation to providing flexible working arrangements for employees with parental or carer's responsibilities to ensure they will be complying with this legislation by September.

### Making deductions from employee's wages

From 1 December 2008 the Victorian Workers' Wages Protection Act 2007 will regulate and enforce the

payment of wages and the ability of an employer to make deductions from an employee's wages. From this date a Victorian employer must not make any deductions from an employee's wages without receiving a valid written authorisation from the employee or appropriate authorisation by law, court order or an industrial instrument to make the deduction.

Employers in Victoria should be aware of the implications of this law if they over-pay employees as it will not be possible to deduct any overpayments without appropriate authorisation.



## Balanced and practical workplace solutions

WorkSight provides balanced and practical workplace solutions to help your business run more smoothly. Contact WorkSight if you need advice on:

- Correct rates of pay
- Making a collective agreement
- Award interpretation
- Investigating workplace conflict
- Mediation between employees
- Disciplining employees
- Dismissal options
- Restructuring your staffing profile

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**For on-line advice and assistance visit:**

**[www.worksight.com.au](http://www.worksight.com.au)**

This newsletter is intended to provide a general outline and is not intended to be and is not a complete or definitive statement of the law on the subject matter. Further advice should be sought before any action is taken in relation to the matters described in this newsletter.