



# WALGA Sector Reference Group

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24 June 2021



# Agenda

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1. Introduction and welcome
2. Legislative and WALGA updates
3. Terms of reference for Sector Reference Group
4. Funding for proposed transition
5. A new State Local Government award?
6. Next meeting



## 2. Industrial Relations Legislation Amendment Bill 2020

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- The *Industrial Relations Legislation Amendment Bill 2020* was passed by the Legislative Assembly on 20 August 2020 but did not pass the Legislative Council before Parliament was prorogued on 7 December 2020.
- In recent discussions with the Department of Mines, Industry Regulation and Safety (DMIRS) they have confirmed some minor amendments will be made to the Bill.
- There is no set timeframe for when the Bill will be tabled in Parliament, however DMIRS have indicated that the Government intends to re-introduce and pass the IR Legislation amendments this year.
- The Federal Industrial Relations Minister will be required to sign a declaration that WA Local Governments are not “national system employers” for the purposes of the *Fair Work Act 2009*.

## 2. WALGA advocacy position

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That WALGA:

1. Advocate for modernisation of the WA industrial relations framework with a view to achieve consistency with the predominant Federal industrial relations system.
2. Further, WALGA opposes the proposed transfer of all Local Governments to the State Industrial Relations System.
3. If Local Government is to be transferred to the State Industrial Relations system, the State system must be modernised first to ensure it aligns with the Federal system.
4. If the State Government reintroduces legislation to require all Local Governments to operate within the State Industrial Relations System, continue to advocate for the State Government to:
  - a) Amend the *Industrial Relations Act 1979* (WA) to include additional provisions to modernise the State IR system; and
  - b) Provide adequate funding and resourcing to ensure Local Governments are equipped with the appropriate tools and training to enable a smooth transition.



## 2. WALGA preparation – Current

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- **Engagement with new IR Minister – Hon Stephen Dawson MLC**
  - WALGA has written to Minister confirming the State Council Resolution which expressly outlines the resources and support required by the sector
  - WALGA is meeting with the Minister soon to discuss these matters
- **Sector wide survey on transition costs for the WALGA State Budget Submission**
  - 60 responses were received
  - **Estimated resourcing required (including WALGA spend): \$15 million**
- **Meetings and discussions with key stakeholders held to date**
  - DMIRS, ASU, WAIRC library



## 2. WALGA preparation – Current

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- **Metro and Regional HR Forum for WALGA ER Subscribers**
  - Sessions specifically targeted to explain key differences between the Federal and State IR system
- **Preparation of State IR Toolkit**
  - The preparation of templates and flowcharts to explain key aspects of the State IR system has commenced
- **DMIRS webinar**
  - Webinar delivered in 2020 in conjunction with DMIRS to explain Industrial Relations Legislation Amendment Bill 2020
  - Webinar was recorded and available for LGs to access at any time
  - Explore development of new updated Webinar if/when the new Bill is re-introduced into Parliament

## 2. WALGA preparation – Future

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- Engage additional ER Consultant for WALGA ER team
  - Main focus of consultant will be to work on the proposed State IR transition
- Continued State Government Advocacy re funding
- Further meetings with key stakeholders
  - DMIRS, WAIRC, unions
- Budget to seek legal advice on key sector issues
- Delivery of State IR Transition Toolkit for subscribers
- Strategy to explore modernisation of State awards
  - WALGA to engage consultant/facilitator to elicit sector feedback about award provisions

## 2. WALGA ER support for transition

Key tasks led by WALGA ER	ER Subscribers	Non-Subscribers
ER Alerts on Bill progress and developments	✓	✓
Participation in the Sector Reference Group	✓	✓
Representation of Local Governments in stakeholder advocacy	✓	✓
HR Forum Programs with sessions on State IR legislation and other webinars and training opportunities	✓	
Access to template documents and guides creating a State IR Transition Toolkit	✓	



## 2. Ministerial Review of State IR System

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- Tabled in Parliament 11 April 2019
- 85 recommendations for reform of State IR System
- Concluded most legally certain process to move Local Governments to the State system is to use the process outlined in s.14(2) of the FW Act
- S.14(2) of the FW Act enables the States to legislate to declare certain employers, including local governments, “not to be a national system employer” for the purposes of the FW Act
- Any declaration made under s.4(2) must be endorsed in writing by the Federal Minister for Industrial Relations

## 2. Recap of transitional provisions in Bill

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- The Bill proposes to insert new part into the IR Act – “Employers declared not to be national system employers”
- WA Government intends to declare all WA Local Governments (including Regional Councils) not to be national system employers
- An employer must be individually named in a declaration, made under regulations
- Regulations may fix the ‘relevant day’ for commencement of a declaration
- 2 year transition period
- Federal enterprise agreement and Local Government Industry Award 2020 → Will become ‘new State instrument’
- Nominal expiry date of new State instrument is the earlier of the following:
  - a day that is two years from the relevant day;
  - the day that, immediately before the relevant day, was the nominal expiry day of the old federal instrument.



## 3. Terms of reference for Sector Reference Group

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Proposed purpose of Group:

- To seek feedback from the Group on specific Local Government needs
- For Local Governments to raise key anticipated issues to work towards sector solutions

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Key questions:

1. How do you like to receive information from WALGA? E.g. ER Alerts, direct email, WALGA website, etc.
2. How do you like to provide information to WALGA? E.g. Survey, email, in-person at meetings like these.
3. What do you need from this Sector Reference Group? Does the proposed purpose achieve this?

*Proposed purpose of Group:*

- *To seek feedback from the Group on specific Local Government needs*
- *For Local Governments to raise key anticipated issues to work towards sector solutions*

## 4. Funding for proposed transition

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- May 2021 sector survey for State budget submission
- Projected cost (included WALGA budgeted spend) approximately \$15 million over 2 years
- In the survey we identified key cost areas for Local Governments to encourage feedback
- Also sought general feedback on resources the sector would like to see provided by WAIRC and State Government



## 4. Funding for proposed transition

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Opportunity to provide further feedback on resources your Local Government requires in the following categories:

1. Resources from WAIRC and State Government
2. Training
3. Resources from WALGA
4. Other – anything else you can think of

## 5. A New State Local Government Award?

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- When IR Amendment Bill commences, Federal Local Government Industry Award 2020 becomes 'deemed industrial instrument' for two year transition period
- No legislated process to modernise State awards
- Two current State awards
  - Cons: Outdated and can be difficult to interpret, some provisions more beneficial, e.g. transfer of personal leave.
  - Pros: Arguably less restrictive in some areas and provides more flexibility for employers than current Federal award. E.g. no restrictive annualised wage clause.
- Union appetite to negotiate new award is limited – will cherry pick best of the Federal and State Awards
- WALGA to engage consultant/facilitator as part of Sector Reference Group to seek LG feedback re preferred award terms and conditions

## 6. Next meeting

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- Assess need and timing for next meeting
- Provide further update after meeting with IR Minister if anything noteworthy arises out of meeting
- In regular contact with Department and will provide update on timing when we receive key information
- Engagement of consultant to canvas feedback on potential new State award





Questions?

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