

EMPLOYMENT AND INDUSTRIAL RELATIONS UPDATE**Timeline for Change**

The Australian Labor Party's ("ALP") industrial relations policy was well publicised prior to the election and with the new year in progress it is timely to provide an update on the reform and what is set to happen on the industrial relations landscape over the next few years.

Current Status

With the parliamentary term yet to commence, the ALP's proposed reforms are yet to take effect in any form. Therefore, up until the commencement of transitional arrangements, companies are still able to enter into Australian Workplace Agreements ("AWAs") which will then be lodged with the Workplace Authority.

In addition, unfair dismissal laws remain unchanged with companies employing less than 100 people being exempt from claims, and the Australian Fair Pay and Conditions Standard still provides for 5 guaranteed minimum entitlements (annual leave, personal leave, parental leave, maximum working hours and minimum wage rates).

Transitional Arrangements

The ALP's proposed reforms will require the implementation of transitional legislation. The following timeline provides some guidance as to when we can expect the reform to take effect:

Date	Event
1 January 2008	The Australian Industrial Relations Commission has commenced a two year Award Simplification Process.
Early 2008	The ALP is set to legislate for a Transitional Bill which will include: <ul style="list-style-type: none">. Ten National Employment Standards.. Transitional arrangements for AWAs.. Provision for Individual Transitional Employment Agreements (ITEAs) to be made.
2008-2009	The ALP is to continue consultation and drafting of substantive industrial relations legislation. Possibility that legislation will be passed by Parliament by the end of 2009.

1 January 2010 Full implementation of the ALP's industrial relations system, including the commencement of:

- . Simplified awards;
- . Ten National Employment Standards; and
- . Fair Work Australia.

Late 2012 Last possible date for AWAs to expire.

National Industrial Relations System

Prior to being elected, the ALP also proposed a plan for a national industrial relations system. Support for a national industrial relations system is growing amongst the States. The national system is based on a blueprint of co-operation and provides the State Governments with a choice of how they want to participate.

The national system may be in place by 2010 with passing of identical laws by both the Federal and State Governments.

Occupational Health and Safety Regulation

In addition to the reforms to the industrial relations system, the ALP has also proposed reforms to Australia's Occupational Health and Safety ("OH&S") policy. These reforms will focus on improvements to the Commonwealth OH&S legislation, reforms to ComCare and the replacement of the Australian Safety and Compensation Council with a new federal body.

The basis of these proposed changes is to achieve common laws between the Commonwealth Government and the State and Territory Governments to assist employees returning to work and improve management of OH&S claims by employers.

WHAT DOES THIS MEAN FOR YOU?

- . You are still able to negotiate and enter into AWAs with your employees at least until the transitional arrangements take effect.
- . All AWAs are able to run until the expiry date, with the last possible date for the expiration of AWAs being 31 December 2012.
- . Unfair dismissal laws remain as they are until transitional legislation is passed.
- . Keep an eye out for future updates on possible changes to occupational health and safety regulations.



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