
The Parliament of the
Commonwealth of Australia

THE SENATE

Workplace Relations Amendment (A Stronger Safety Net) Bill 2007
(Government)

(1) Clause 2, page 2 (at the end of the table), add:

7. Schedule 6 The day on which this Act receives the Royal Assent.

[minor technical amendments]

(2) Schedule 1, item 1, page 4 (after line 10), before the definition of designated award in subsection 346B(1), insert:

business being transferred has the same meaning as in Part 11.

[transmission of business]

(3) Schedule 1, item 1, page 4 (after line 27), after the definition of industrial instrument in subsection 346B(1), insert:

new employer has the same meaning as in Part 11.

old employer has the same meaning as in Part 11.

[transmission of business]

(4) Schedule 1, item 1, page 5 (after line 24), after the definition of salary in subsection 346B(1) (after the note), insert:

time of transmission, in relation to a business being transferred, has the same meaning as in Part 11.

transferring employee has the same meaning as in Part 11.

transmission period, in relation to a business being transferred, has the same meaning as in Part 11.

[transmission of business]

(5) Schedule 1, item 1, page 6 (after line 20), after section 346C, insert:
346CA Industry or occupation usually regulated by State award before the reform commencement—extended operation of certain provisions

(1) For the purposes of a provision mentioned in subsection (2), an industry or occupation in which the terms and conditions of the kind of work performed or to be performed by an employee are usually regulated by an award is taken to include an industry or occupation in which the terms and conditions of the kind of work performed or to be performed by the employee:
   (a) were, immediately before the reform commencement, usually regulated by a State award; or
   (b) would, but for an industrial instrument or a State employment agreement, usually have been regulated by a State award immediately before the reform commencement.

(2) The provisions are as follows:
   (a) subparagraph 346E(1)(b)(ii);
   (b) subparagraph 346E(2)(b)(ii);
   (c) subparagraph 346F(1)(b)(ii);
   (d) subparagraph 346F(2)(b)(ii);
   (e) paragraph 346K(2)(a);
   (f) a provision referred to in paragraph (a), (b), (c) or (d), as referred to in section 346L.

[State award covered employees]

(6) Schedule 1, item 1, page 7 (after line 6), at the end of Subdivision A, add:

346DA Transmission of business—where no decision under section 346M at time of transmission

(1) This section applies if:
   (a) the Workplace Authority Director is required to decide under section 346M whether a workplace agreement passes the fairness test; and
   (b) before the Workplace Authority Director makes the decision, the workplace agreement becomes binding upon a new employer and a transferring employee or transferring employees because of the operation of section 583 or 585.

(2) Subject to subsection (4), for the purposes of deciding under section 346M whether the workplace agreement passes the fairness test, references to the employer in section 346M and in the definition of relevant award are taken to be references to the old employer.

(3) If:
   (a) the Workplace Authority Director has been notified that the workplace agreement is binding on the new employer and the transferring employee or transferring employees; and
   (b) the Workplace Authority Director is required to give a notice under section 346J, 346P or 346U to the employer in relation to the workplace agreement; the Workplace Authority Director must give the notice to both the old employer and the new employer.

(4) If the Workplace Authority Director decides under section 346M that the workplace agreement does not pass the fairness test:
   (a) references in section 346R to the employer bound by the workplace agreement are taken to be references to the new employer; and
(b) to avoid doubt, if the new employer subsequently lodges a variation of the workplace agreement under section 346R then, for the purposes of deciding under section 346U whether the workplace agreement as varied passes the fairness test, references in section 346M to the employer are taken to be references to the old employer.

Note 1: The employment arrangements that have effect in relation to the new employer and the transferring employee or transferring employees are as set out in section 346YA.

Note 2: The compensation payable to the transferring employees under section 346ZD by both the old employer and the new employer is as specified in subsections 346ZD(2), (2A) and (2B).

346DB Transmission of business—where no decision on a varied agreement under section 346U at time of transmission

(1) This section applies if:
   (a) the Workplace Authority Director is required to decide under section 346U whether a workplace agreement as varied passes the fairness test; and
   (b) before the Workplace Authority Director makes the decision, the workplace agreement becomes binding upon a new employer and a transferring employee or transferring employees because of the operation of section 583 or 585.

(2) For the purposes of deciding under section 346U whether the workplace agreement as varied passes the fairness test, references in section 346M to the employer are taken to be references to the old employer.

(3) If:
   (a) the Workplace Authority Director has been notified that the workplace agreement is binding upon the new employer and a transferring employee or transferring employees; and
   (b) the Workplace Authority Director is required to give a notice under section 346U to the employer in relation to the workplace agreement;

the Workplace Authority Director must give the notice to both the old employer and the new employer.

346DC Transmission of business—employees still employed by old employer

To avoid doubt, if a workplace agreement becomes binding upon a new employer and a transferring employee or transferring employees because of the operation of section 583 or 585, this Division has effect, to the extent that the workplace agreement continues to bind the old employer, and an employee or employees who are not transferring employees, according to its terms.

(7) Schedule 1, item 1, page 7 (lines 14 to 21), omit paragraph 346E(1)(b), substitute:

(b) on the date of lodgment:
   (i) the employer bound by the AWA is bound by an award in respect of the terms and conditions of the kind of work performed or to be performed by the employee; or
   (ii) the employee whose employment is subject to the AWA is employed in an industry or occupation in which the terms and conditions of the kind of work performed or to be performed by the employee are usually regulated by an award, or would, but for a workplace agreement or another industrial instrument, usually be regulated by an award; and

[application of fairness test]
(8) Schedule 1, item 1, page 8 (lines 11 to 19), omit paragraph 346E(2)(b), substitute:
   (b) on the date of lodgment:
      (i) the employer bound by the collective agreement is bound by an award in
          respect of the terms and conditions of the kind of work performed or to be
          performed by the one or more of the employees; or
      (ii) one or more of the employees whose employment is subject to the collective
          agreement is employed in an industry or occupation in which the terms and
          conditions of the kind of work performed or to be performed by the employees
          are usually regulated by an award, or would, but for a workplace agreement or
          another industrial instrument, usually be regulated by an award; and
          [application of fairness test]

(9) Schedule 1, item 1, page 8 (line 33) to page 9 (line 3), omit paragraph 346F(1)(b), substitute:
   (b) on the date of lodgment of the variation:
      (i) the employer bound by the AWA as varied is bound by an award in respect of
          the terms and conditions of the kind of work performed or to be performed by
          the employee; or
      (ii) the employee whose employment is subject to the AWA as varied is employed
          in an industry or occupation in which the terms and conditions of the kind of
          work performed or to be performed by the employee are usually regulated by an
          award, or would, but for a workplace agreement or another industrial
          instrument, usually be regulated by an award; and
          [application of fairness test]

(10) Schedule 1, item 1, page 9 (lines 28 to 36), omit paragraph 346F(2)(b), substitute:
   (b) on the date of lodgment of the variation:
      (i) the employer bound by the collective agreement as varied is bound by an
          award in respect of the terms and conditions of the kind of work performed or
          to be performed by the one or more of the employees; or
      (ii) one or more of the employees whose employment is subject to the collective
          agreement as varied is employed in an industry or occupation in which the terms
          and conditions of the kind of work performed or to be performed by the
          employees are usually regulated by an award, or would, but for a workplace
          agreement or another industrial instrument, usually be regulated by an award; and
          [application of fairness test]

(11) Schedule 1, item 1, page 13 (lines 9 to 15), omit the note.
   [designated awards]

(12) Schedule 1, item 1, page 15 (lines 7 to 13), omit the note.
   [designated awards]

(13) Schedule 1, item 1, page 22 (line 27), omit paragraph 346U(4)(b), substitute:
   (b) if the workplace agreement as varied passes the fairness test:
      (i) that the workplace agreement continues in operation; and
      (ii) that the workplace agreement was varied by way of a variation or a written
          undertaking, as the case may be; and
      (iii) that the employee or employees whose employment is, or was at any time,
           subject to the workplace agreement are, on and from the date of issue of the
(c) if the workplace agreement as varied does not pass the fairness test:
   (i) that, if the workplace agreement was in operation immediately before the date of issue of the notice—the agreement ceases to operate on the date of issue of the notice; and
   (ii) that the employee or employees whose employment was at any time subject to the workplace agreement are, on and from the date of issue of the notice, entitled to any compensation payable to the employee or employees under section 346ZD.

[notice of decision once varied agreement tested]

14) Schedule 1, item 1, page 24 (after line 38), after subsection 346Y(4), insert:

(4A) Despite subsection (2), if the original agreement is a workplace agreement that, after lodgment, becomes binding upon a new employer and a transferring employee or transferring employees because of the operation of section 583 or 585, this section does not have the effect of binding the new employer and the transferring employee or transferring employees to an instrument or to a designated award.

Note: The employment arrangements that have effect in relation to the new employer and the transferring employee or transferring employees are as set out in section 346YA.

[transmission of business]

15) Schedule 1, item 1, page 25 (after line 16), after section 346Y, insert:

346YA Employment arrangements if a workplace agreement ceases to operate because it does not pass fairness test—transmission of business

(1) This section applies if:
   (a) on a particular day (the cessation day), a workplace agreement (the original agreement) ceases to operate under section 346R or 346W because the original agreement does not pass the fairness test; and
   (b) during the period beginning when the original agreement was lodged and ending on the cessation day, the original agreement became binding upon a new employer and a transferring employee or transferring employees because of the operation of section 583 or 585 in relation to a business being transferred; and
   (c) the cessation day occurs during the transmission period in relation to the business being transferred.

Note: If the cessation day occurs after the transmission period ends, the rules in Part 11 will have effect according to their terms.

(2) The new employer and the transferring employee or transferring employees who were bound by the original agreement immediately before the cessation day are taken, on and from the cessation day, to be bound by:
   (a) the instrument:
      (i) that, but for the original agreement having come into operation, would have bound the old employer and the transferring employee or transferring employees immediately before the time of transmission; and
      (ii) that was capable of binding the new employer after the time of transmission under Part 11, Schedule 6 or Schedule 9; or
   (b) if there is no instrument of a kind referred to in paragraph (a) in relation to the old employer and one or more of the transferring employees—the designated award in
relation to that employee or those employees, to the extent that the designated award contains protected award conditions.

(3) If, but for the original agreement having come into operation, the old employer would have been bound, immediately before the time of transmission, under a designated provision by a redundancy provision in relation to a transferring employee or transferring employees whose employment was subject to the original agreement, the new employer is taken:

(a) to be bound under section 598A or clause 27A of Schedule 9, as the case requires, on and from the cessation day, by the redundancy provision in relation to the transferring employee or transferring employees; and

(b) to continue to be so bound until the earliest of the following:

(i) the end of the period of 12 months beginning on the first day on which the old employer became bound under a designated provision by the redundancy provision;

(ii) the time when the employee ceases to be employed by the new employer;

(iii) the time when another workplace agreement comes into operation in relation to the transferring employee or the transferring employees and the new employer.

(4) If the original agreement is a workplace agreement as varied under Division 8, the workplace agreement as in force before the variation was lodged is, despite section 346ZB, capable of being an instrument described in paragraph (2)(a).

(5) In this section:

- **designated provision** has the same meaning as in section 346ZA.

- **instrument** means any of the following:
  
  (a) a workplace agreement;
  
  (b) an award;
  
  (c) a pre-reform certified agreement (within the meaning of Schedule 7);
  
  (d) a pre-reform AWA.

*Note:* Preserved State agreements and notional agreements preserving State awards are dealt with in Schedule 8.

[transmission of business]

(16) Schedule 1, item 1, page 25 (line 17), omit “section 346Y”, substitute “sections 346Y and 346YA”.

[transmission of business]

(17) Schedule 1, item 1, page 25 (line 18), before “If”, insert “(1)”.

[transmission of business]

(18) Schedule 1, item 1, page 26 (after line 4), at the end of section 346Z (after the note), add:

(2) If, because of the operation of section 346YA, a new employer and a transferring employee or transferring employees are taken to be bound by an instrument, the instrument is taken, despite any other provision of this Act, to have effect in relation to the new employer and the transferring employee or employees throughout the period:

(a) beginning on the cessation day; and

(b) ending at the end of the transmission period in relation to the business being transferred;
as if the new employer and the transferring employee or transferring employees had
become bound by the instrument under Part 11, Schedule 6 or Schedule 9, as the case
requires.

[transmission of business]

(19) Schedule 1, item 1, page 27 (line 16), omit “section 346Y”, substitute “section 346Y or
346YA”.

[transmission of business]

(20) Schedule 1, item 1, page 27 (line 34), omit “became entitled under the workplace agreement”,
substitute “was entitled, under the workplace agreement, and under any other applicable law,
agreement or arrangement that operated in conjunction with the workplace agreement.”.

[compensation]

(21) Schedule 1, item 1, page 28 (lines 6 to 13), omit all the words after “period,”, substitute
“worked out in accordance with the assumptions set out in subsection (2A)”.

[compensation]

(22) Schedule 1, item 1, page 28 (after line 13), after subsection 346ZD(2), insert:

(2A) For the purposes of working out the total value of the entitlements to which the employee
would have been entitled, in respect of one or more periods of employment of the
employee during the fairness test period, it is to be assumed that, during that period or
those periods of employment:

(a) the employee’s employment was subject to:

(i) the instrument or instruments that, but for the workplace agreement, would
have bound the employer in relation to that period or those periods of
employment of the employee; or

(ii) if there is no such instrument—the designated award in relation to the
employee, to the extent that it contains protected award conditions; and

(b) the employer was bound, under a designated provision, by any redundancy
provision that, but for the workplace agreement having come into operation, would
have bound the employer in relation to the employee; and

(c) the employer was bound under section 394 by any undertaking that, but for the
workplace agreement having come into operation, would have bound the employer
in relation to the employee; and

(d) the employee’s employment was subject to any other applicable law, agreement or
arrangement that would have operated in conjunction with the instrument or
instruments referred to in subparagraph (a)(i), or the designated award referred to in
subparagraph (a)(ii), as the case requires.

[compensation]

(23) Schedule 1, item 1, page 28, after proposed subsection 346ZD(2A), insert:

(2B) If, because of the operation of section 583 or 585, the workplace agreement bound an old
employer and a new employer in relation to the employment of a transferring employee
during the fairness test period:

(a) the transferring employee is entitled to be paid compensation by the old employer in
respect of the period or periods during which the employee was employed by the
old employer, worked out in accordance with the assumptions set out in
subsection (2A); and
(b) the transferring employee is entitled to be paid compensation by the new employer in respect of the period or periods during which the employee was employed by the new employer, worked out in accordance with the assumptions set out in subsection (2A), subject to the following modifications:

(i) subparagraph (2A)(a)(i) is taken to refer to the instrument described in paragraph 346YA(2)(a); and

(ii) a reference in paragraph (2A)(b) to a designated provision is taken to be a reference to section 598A or clause 27A of Schedule 9, as the case requires.

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(24) Schedule 1, item 1, page 28 (after line 35), before the definition of *fairness test period*, insert:

*designated provision* has the same meaning as in section 346ZA.

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(25) Schedule 1, item 1, page 29 (after line 25), after section 346ZE, insert:

**346ZEA Notice requirements in relation to transmission of business**

(1) This section applies if:

(a) a new employer is bound by a workplace agreement (the *transmitted workplace agreement*) in relation to a transferring employee because of section 583 or 585; and

(b) before the time of transmission in relation to the business being transferred, the Workplace Authority Director gave notice to the old employer under section 346J that the Workplace Authority Director must decide under section 346M or 346U whether the transmitted workplace agreement passes the fairness test; and

(c) as at the time of transmission, the Workplace Authority Director has not yet decided whether the transmitted workplace agreement passes the fairness test under whichever of those sections is applicable.

(2) The old employer must take reasonable steps to give a written notice to the Workplace Authority Director that:

(a) identifies the transmitted workplace agreement; and

(b) states whether or not the old employer remains bound by the transmitted workplace agreement in relation to the employment of any employees; and

(c) specifies the date on which the transmission period in relation to the business being transferred ends; and

(d) specifies the name and address of the new employer.

(3) Subsection (2) is a civil remedy provision.

Note: See Division 11 for provisions on enforcement.

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(26) Schedule 1, item 5, page 32 (line 31), after “346Y”, insert “, 346YA”.

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(27) Schedule 1, item 6, page 33 (line 9), after “346Y”, insert “, 346YA”.

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(28) Schedule 1, item 7, page 33 (line 21), after “346Y”, insert “, 346YA”.

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(29) Schedule 1, item 15, page 35 (after line 6), after paragraph (jb), insert:
   (jba) for subsection 346ZEA(2)—30 penalty units;

(30) Schedule 1, item 30, page 37 (line 34), omit “subsection 346Y(5)”, substitute “subsections
       346Y(5) and 346YA(5)”.

(31) Schedule 1, item 32, page 38 (line 20), omit “subsection 346Y(5)”, substitute “subsections
       346Y(5) and 346YA(5)”.

(32) Schedule 1, item 33, page 38 (line 34), after “346Y”, insert “, 346YA”.

(33) Schedule 1, item 34, page 39 (line 8), after “346Y”, insert “, 346YA”.

(34) Schedule 1, item 39, page 40 (line 20), after “346Y”, insert “, 346YA”.

(35) Schedule 1, item 40, page 40 (line 30), after “346Y”, insert “, 346YA”.

(36) Schedule 1, item 41, page 41 (line 30), omit “paragraph 346Y(2)(b)”, substitute “paragraphs
       346Y(2)(b) and 346YA(2)(b)”.

(37) Schedule 1, item 41, page 41 (line 38), omit “subsection 346Y(5)”, substitute “subsections
       346Y(5) and 346YA(5)”.

(38) Schedule 1, item 41, page 42 (line 4), omit “346ZD(2)(b)(ii)”, substitute “346ZD(2A)(a)(ii)”.

(39) Schedule 1, item 41, page 42 (line 8), omit “paragraph 346Y(2)(b)”, substitute “paragraphs
       346Y(2)(b) and 346YA(2)(b)”.

(40) Schedule 1, item 42, page 43 (line 26), omit “paragraph 346Y(2)(b)”, substitute “paragraphs
       346Y(2)(b) and 346YA(2)(b)”.

(41) Schedule 1, item 42, page 43 (line 27), omit “subsection 346Y(5)”, substitute “subsections
       346Y(5) and 346YA(5)”.

(42) Schedule 1, item 42, page 43 (line 30), omit “346ZD(2)(b)(ii)”, substitute
       “346ZD(2A)(a)(ii)”.

(43) Schedule 2, item 2 (page 53), after Division 3, after line 24, insert:
Division 3A—Workplace Relations Fact Sheet

154A Workplace Authority Director must issue Workplace Relations Fact Sheet

(1) The Workplace Authority Director must, by notice published in the Gazette, issue a document called the Workplace Relations Fact Sheet.

(2) The Workplace Relations Fact Sheet must contain the following:
   (a) information about the Australian Fair Pay and Conditions Standard;
   (b) information about protected award conditions;
   (c) information about the fairness test;
   (d) information about the role of the Workplace Authority Director and the Workplace Ombudsman.

(3) The regulations may prescribe other matters relating to the content, form, or manner of providing the Workplace Relations Fact Sheet.

(4) A Workplace Relations Fact Sheet issued under subsection (1) is not a legislative instrument.

154B Employer must give a Workplace Relations Fact Sheet to new employees

(1) If a person becomes an employee of an employer, the employer must take reasonable steps to ensure that the employee is given a copy of the Workplace Relations Fact Sheet issued under section 154A within the period of 7 days commencing on the day on which the person became an employee of the employer.

(2) Subsection (1) is a civil remedy provision.

154C Employer must give a Workplace Relations Fact Sheet to existing employees

(1) An employer must take reasonable steps to ensure that each person who is an employee of the employer on the day on which the Workplace Authority Director issues the first Workplace Relations Fact Sheet under section 154A is given a copy of the Workplace Relations Fact Sheet within the period of 3 months commencing on that day.

(2) Subsection (1) is a civil remedy provision.

154D Penalties for contravention of civil remedy provisions

(1) The Court may make an order imposing a pecuniary penalty on a person who has contravened section 154B or 154C on application by:
   (a) a workplace inspector; or
   (b) an employee affected by the contravention.

(2) The maximum penalty that may be imposed under subsection (1) is 1 penalty unit.

Note: Division 3 of Part 14 contains other provisions relevant to civil remedies.

(44) Page 83 (after line 19), at the end of the Bill, add:
Schedule 6—Minor technical amendments

Workplace Relations Act 1996

1 Paragraph 354(1)(b)
   After “but for the agreement”, insert “, a previous workplace agreement or another industrial instrument”.

2 Subsection 354(4)
   Insert:

   *industrial instrument* means any of the following:
   (a) a pre-reform AWA;
   (b) a pre-reform certified agreement (within the meaning of Schedule 7);
   (c) a workplace determination;
   (d) a section 170MX award (within the meaning of Schedule 7);
   (e) an old IR agreement (within the meaning of Schedule 7).

3 Application
   The amendments made by this Schedule apply to workplace agreements lodged on or after the day on which this Schedule commences.

[minor technical amendments]