

Guidance for Chief Executive Officers: Agreement Making and Industrial Relations

Contents

Agreement Making and Industrial Relations in Government Owned Corporations.....	3
Principle 1: GOCs shall comply with and support the agreement making policy and process	3
Principle 2: Wages outcomes and conditions should enhance the performance culture of GOCs and must be consistent with relevant Government Policy.....	4
Principle 3: GOCs will liaise with and inform OIR on industrial relations matters	4

Agreement Making and Industrial Relations in Government Owned Corporations

This document provides a framework of broad principles to apply to Government Owned Corporations (GOCs) (and the two commercial statutory authorities, Seqwater (established under the *South East Queensland Water (Restructuring) Act 2007* and Queensland Rail (established under the *Queensland Rail Transit Authority Act 2013* (QRTA Act)). This policy is designed to provide guidance and/or direction for the negotiation of agreements, conduct of industrial relations and application of certain government industrial relations policies, and should be read in conjunction with relevant State and Commonwealth legislation and Queensland Government policies.

Shareholding Ministers, as representatives of the Government and the Queensland public, have a general right to information from and consultation regarding GOCs and their operations. Shareholding Ministers may identify other government industrial relations policies that are to be affirmed in employment and industrial relations plans and may provide strategic advice to GOCs about matters with significant industrial relations implications.

The Government lead agency for industrial relations and enterprise bargaining (EB) in relation to GOCs is the Office of Industrial Relations (OIR). Other key stakeholders in the EB and industrial relations processes in GOCs are the:

- Shareholding Ministers,
- Queensland Treasury, and
- Shareholding Ministers' Agencies as applicable to each GOC.

GOCs will respect the rights of shareholders, by ensuring the following principles are applied in the conduct of industrial relations and development and negotiation of agreements:

1. GOCs shall comply with and support agreement making policy and process.
2. Wages outcomes and conditions should enhance the performance culture of GOCs and must be consistent with relevant Government Policy.
3. GOCs will liaise with and inform the OIR on industrial relations matters.

Principle 1: GOCs shall comply with and support the agreement making policy and process

Overview

The GOC Wages Policy has been designed to reflect the State Government's consideration of numerous factors, including competitive pressures, inflation rates, sector relativities, economic outlook and the overall State Government's fiscal position.

Guidelines

When negotiating wages agreement outcomes and conditions, the GOC must ensure:

- (i) Consistency with the GOC Wages Policy;
- (ii) Compliance and consistency with other relevant State Government policies, procedures and guidelines within their respective organisations, as well as compliance with all relevant Federal and State Industrial Relations legislation;
- (iii) The use of collective agreements as the preferred vehicle for modifying of wages and agreement outcomes;

- (iv) Consultation with shareholding Ministers' agencies and submission of required documentation and gaining of appropriate approvals as outlined in the GOC Wages Policy;
- (v) That OIR is notified and informed of any key developments during the bargaining process (e.g. Industrial action, proposed or notified etc) or of potential industrial matters to the Government;
- (vi) That bargaining is facilitated proactively and effectively with unions, employees and any nominated representatives; and
- (vii) That the application of right of entry, freedom of association provisions and employee's right to representation are respected and applied in a fair and reasonable manner, consistent with legislative requirements.

Principle 2: Wages outcomes and conditions should enhance the performance culture of GOCs and must be consistent with relevant Government Policy

Overview

It is a recognised that GOCs need to attract and retain suitable, skilled staff and ensure remuneration is competitive within the market. However, this must be balanced by the need to ensure fiscal responsibility. GOCs are therefore restricted from becoming market leaders in wages and conditions.

Guidelines

GOCs must:

- (i) Design productivity initiatives that are reasonable, quantifiable and measurable against actions and/or the performance of employees, and will help achieve cultural changes that supports performance excellence, continuous improvement and commitment;
- (ii) Affirm and adhere to relevant State Government industrial relations policies in Employment and Industrial Relations (E&IR Plans), including the enhancement of existing obligations due to policy or legislative changes, where required; and
- (iii) Pursue bargaining outcomes, where possible, that encourage work-life balance, flexible work practices and retention initiatives.

Principle 3: GOCs will liaise with and inform OIR on industrial relations matters

Overview

After the GOC has liaised with OIR on industrial relations matters, OIR will in turn ensure that shareholding Ministers' portfolio agencies and central agencies are advised on reported matters.

Guidelines

GOCs will keep OIR informed of:

- (i) Any industrial matters, and any matters likely to result in industrial action; and
- (ii) Any matters that are expected to proceed to an industrial or civil tribunal where it is employment related.