

INFORMATION BULLETIN 2/2009

Introduction of the *Fair Work Act* (Commonwealth)

On 1 July 2009 the bulk of the Australian Government's new industrial relations laws, the *Fair Work Act*, came into operation. The *Fair Work Act* replaces the former *Workplace Relations Act* as the law governing industrial relations in Australia, including the Northern Territory Public Sector (NTPS). All parts of the new laws will finally commence on 1 January 2010.

The *Fair Work Act* broadly regulates the following areas:

- Ten minimum employment standards known as the National Employment Standards; covering such conditions as annual, personal, parental and community service leave, hours of work and flexible work arrangements commencing on 1 January 2010;
- The creation of modern awards containing a further ten minimum employment standards also commencing on 1 January 2010, with NTPS awards expected to be modernised prior to 1 January 2014;
- A new system of enterprise bargaining;
- New rules for the regulation of industrial action;
- New rules for determining minimum wages, transfers of business, termination of employment and general protections for employees; and
- The creation of a new institution to oversee the system called Fair Work Australia, replacing a range of bodies, including the Australian Industrial Relations Commission.

Impact of current terms and conditions

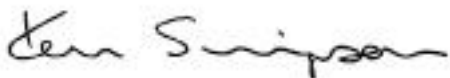
All NTPS employees' terms and conditions of employment are not immediately affected by the introduction of the new laws; however, there will be some changes over time. Current workplace agreements still operate as normal; however, from 1 January 2010 any terms which are detrimental to an employee when compared to a National Employment Standard will cease to have effect. A preliminary assessment by my Office indicates that current NTPS agreements will be largely in compliance with the National Employment Standards.

There will be no changes arising from the creation of modern awards in January 2010, although some changes may arise when NTPS awards are expected to be reviewed prior to 2014. The legislation stipulates that the award modernisation process is not intended to reduce employees' take home pay.

Negotiations for new NTPS agreements commence in 2010 for the NTPS General agreement, Power and Water, Teachers and Educators, Fire and Rescue Service and Medical Officers. These negotiations will be conducted under the *Fair Work Act* and the final agreements will be required to comply with the provisions of that Act.

More information

More information is available from the Fair Work Australia website at www.fwa.gov.au and employee bulletins will be issued as and when required.



KEN SIMPSON

Commissioner for Public Employment

8 July 2009