

'Farcical' individual flexibility arrangements examined at NSW IR Society lunch

NEW South Wales' top workplace relations professionals were today told of the ineffectiveness of the Fair Work Act's individual flexibility arrangements (IFAs) and the key impacts the farcical provisions have on Australia's resource industry employers.

In a presentation to the Industrial Relations Society of NSW, AMMA's senior workplace policy adviser Lisa Matthews said the ineffectiveness of IFAs was in need of urgent reform.

With the findings of Fair Work Australia's review into the operation of IFAs yet to be handed down, Ms Matthews explained some of the reasons behind the low take-up of these options in mining, oil and gas workplaces.

"IFAs were the Labor Government's answer to (the Howard Government's) Australian Workplace Agreements (AWA's) but the take-up of IFAs is extremely low in our industry, even among those employers that have negotiated Fair Work Act agreements," Ms Matthews said.

"The resource industry has never used AWAs to cut terms and conditions but to offer workplace flexibility and ensure continuity of supply.

"Employers were promised that IFAs would provide the same amount of flexibility for negotiating individual workplace arrangements. This is not the case.

"While 67 per cent of the mining industry was covered by AWAs at one point, and closer to 80 per cent in metalliferous mining, the take-up of IFAs is estimated to be considerably less than 5 per cent. In survey after survey our members tell us that IFAs are either of no value to them or of very little value.

"The other problem is that IFAs can be terminated with 28 days' notice by either the employer or employee. This provides little incentive for employers to enter into them.

"The government is not expected to move on some of AMMA's recommendations to make IFAs more workable, such as making them a condition of employment, because they will begin to look more like the AWAs.

"However there is no reason why the government could not give greater security to both parties by enabling them to last for fixed terms of up to four years, and allowing for them to be terminated or run for shorter terms by mutual agreement."

For more information on IFAs contact Tom Reid or read AMMA's [submission](#) to Fair Work Australia's review.

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