



Fair Work head adopts faster deadline for wage deals

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The head of the workplace tribunal will dramatically reduce time frames to approve agreements, effectively adopting the faster deadline the Morrison government had proposed in its failed bid to kick-start the bargaining system.

President Justice Iain Ross announced yesterday the Fair Work Commission would seek to ensure that 95 per cent of compliant agreements are approved within 20 working days, down from its current target of eight weeks, while 50 per cent would be approved within 10 days.

The speedier deadline follows concerns from business groups over “unjustifiable delays” in agreements that have led some major retailers and fast-food giants to leave the system.

The target also aligns with the 21-day deadline the government had proposed in its industrial relations bill before it chose to dump the reform due to broad opposition from crossbencher Stirling Griff.

Justice Ross had previously objected to the bill’s statutory time frame as “unnecessary” and had warned a hard deadline could encourage more rejections and less oversight, with a negative effect on workers and employers.

Australian Mines and Metals Association chief executive Steve Knott welcomed what he said was Mr Ross’ “change of heart” but backed the bill’s approach as more sensible and effective. “New timeline benchmarks announced today are a small step in the right direction, but without more significant change will not make one iota of difference,” Mr Knott said.

Under the commission’s new targets, 95 per cent of agreements that are disputed or complex can still be approved in 45 working days – down from four

months – with 50 per cent in 20 days.

The bill would have required commissioners to give a written explanation if the tribunal needed longer than 21 days to determine an agreement.

Mr Knott argued there was no rationale for different benchmarks for simple and complex agreements, and described the longer approval dates for the latter deals, which often cover thousands of employees, as “grossly inadequate”.

He said the government should legislate the 21-day deadline for all agreements and this “should be accompanied by simplification of the Fair Work Act’s enterprise agreement-making framework”.

Justice Ross said the commission was reviewing its performance and reporting framework and had engaged ACIL Allen to provide recommendations on its targets.

“The commission will review the benchmarks over time and seek to continually improve our performance.”

He said there had been significant improvement in timeliness in approving agreements in recent years.

In 2019-20, more than 4300 agreement applications were finalised and just 40 rejected and 244 withdrawn.

From July to March 31 this year, compliant agreements were approved within a median time of nine working days and all were determined within a median of 26 days.

Agreements now being considered by the commission are no older than four months old.

The Australian Council of Trade Unions had previously backed a 14-day deadline to approve union agreements.

A spokesman for Industrial Relations Minister Michaelia Cash said she “welcomes any move to improve the timeliness of enterprise agreement approvals”.