

All Things Enterprise Bargaining

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BUSINESS NSW



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Agenda







EA Architecture



Why



Important things to consider



The Bargaining Process





Bargaining Architecture





Industrial Instrument Food-chain

Award Free

(NES, Contract of Employment, typically managers, some types of professionals)

Award Covered

No Enterprise Agreement (Still NES + Contract) Enterprise Agreement Covered

(Award doesn't apply* *, Contract)

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Industry

Union Density

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What is in EAs





Mandatory
Content
(Disputes, Nominal Term, Consultation etc)

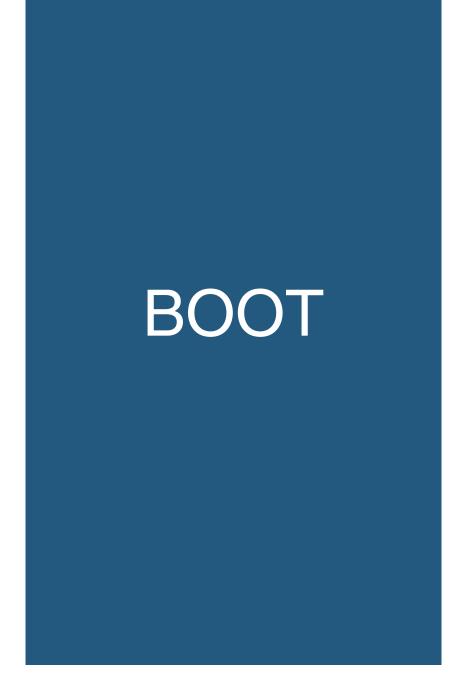
Employment Conditions

Pay









Unions



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Culture

New EA Architecture





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'Single Employer'
Bargaining

'Multi-Employer'
Bargaining
"Single Interest
Authorisation"

'Multi-Employer'
Bargaining
"Supported
Bargaining
Authorisation"

Do not apply to building and construction

'Multi-Employer'
Bargaining
"Co-operative
Workplace"

Bargaining Changes



- Amendments to allow parties to voluntarily replace a supported bargaining or a single interest agreement with a single enterprise agreement at any time.
- Where this happens, the BOOT will be conducted against the existing agreement and not the Modern Award.
- Changes will also be made enabling multiple franchisees to access the traditional single enterprise bargaining stream.
- From 26 February 2025, new powers for the FWC to issue model terms for enterprise agreements with respect to flexibility, consultation and disputes.
- Previously, these model terms are included in the regulations, drafted by the Minister.





Why?

Where does your business sit?





Small business (<20 employees) EA (within nominal term)

The "Safe Zone"

EA (outside nominal term)

Modern Award

Exposed to multiemployer bargaining

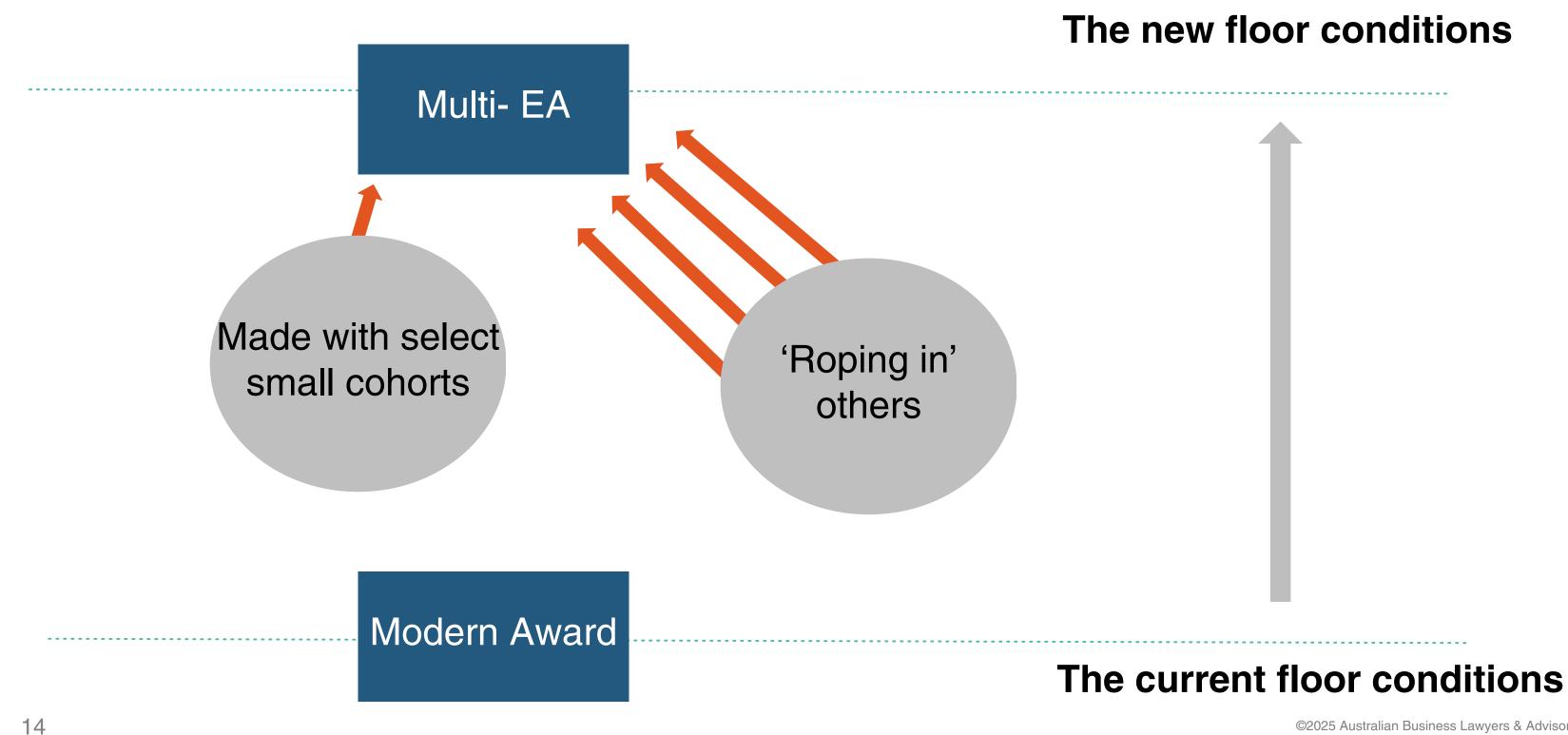
Other Factors

- Industry: (low paid?) (care sector?)
- Union presence?
- How current conditions compare to competitors?

The potential of multi-employer bargaining











Some important things

Things to consider





- Once started you are on the 'bargaining hamster wheel' and it's hard to get off.
- You may increase or introduce union involvement in your business.
- You will increase a collective culture over an individual culture.
- Depending what is in your EA you may reduce your operational flexibility.
- You don't need one to give someone a pay increase!



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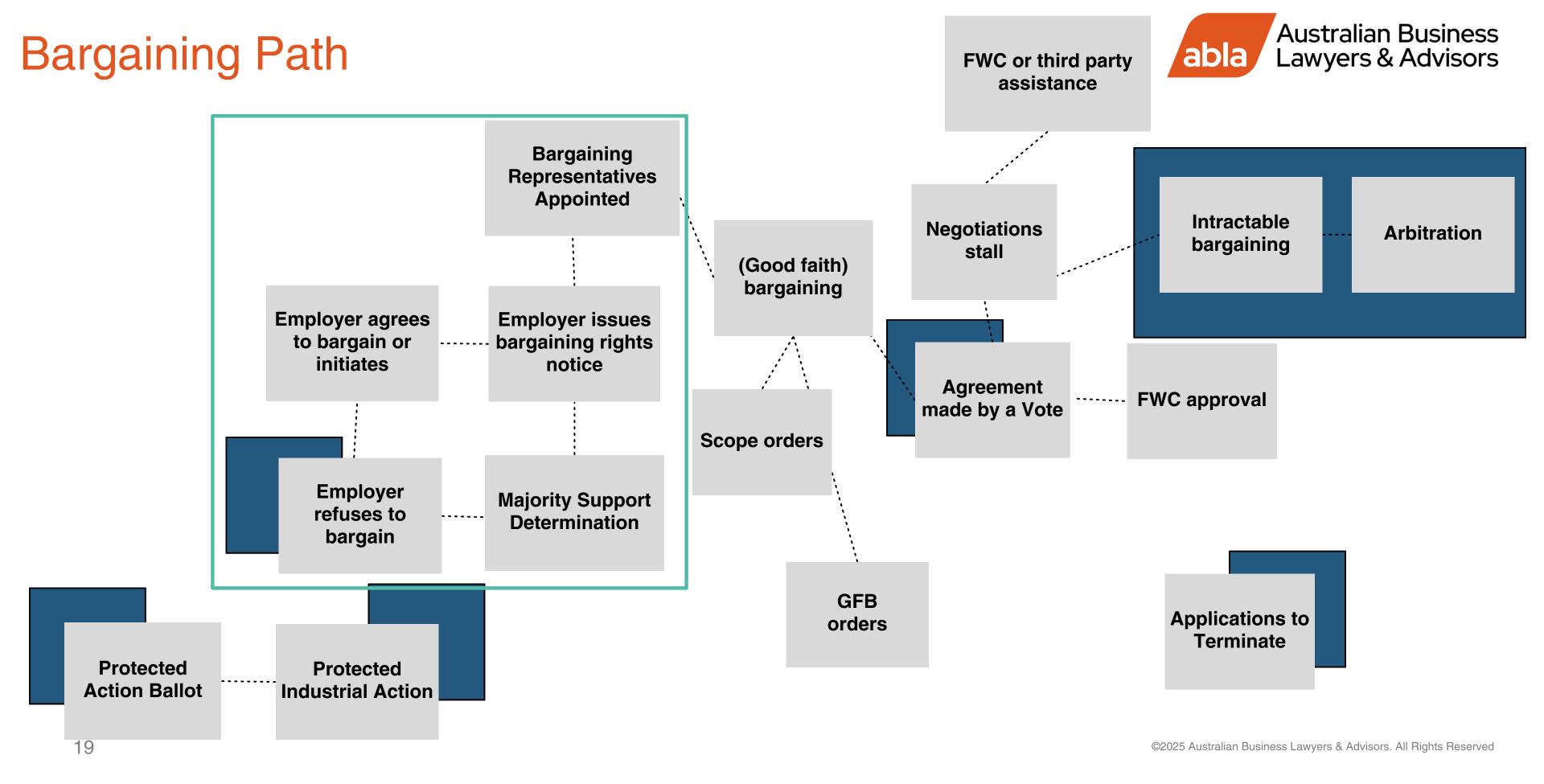
Yes we want to do it!

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Bargaining Process

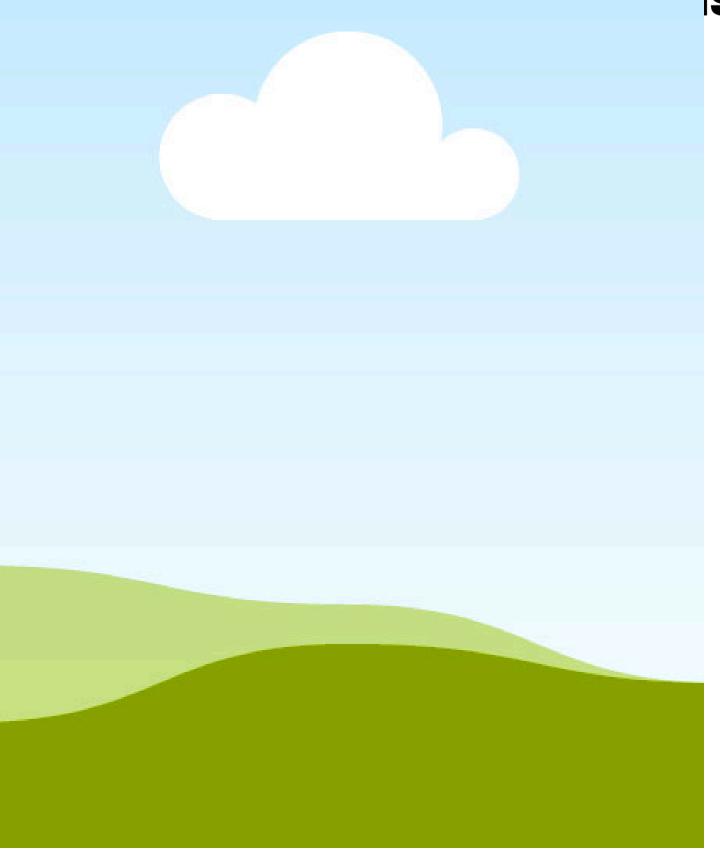


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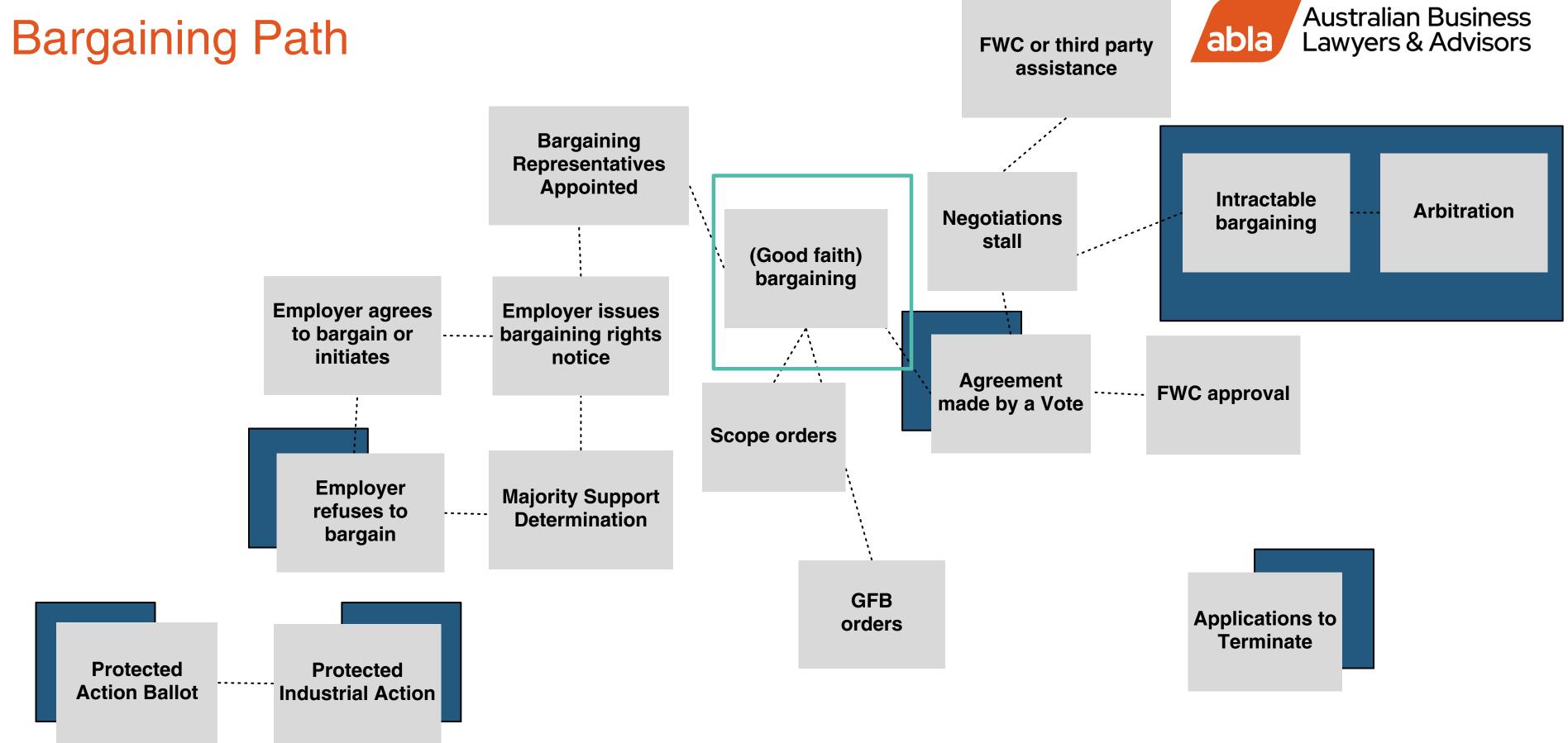
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Good Faith Bargaining





What does bargaining in good faith involve?

- Must recognise BRs
- Attending and participating in negotiations at reasonable times
- Timely disclosure of information (not commercial confidential)
- Responding to proposals
- Genuine consideration of the proposals of the other bargaining representatives and providing reasons for responses
- No capricious or unfair conduct that undermines freedom of association of collective bargaining

Process based.

Not about reasonableness of claims.

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Agreement Content





Permitted matters



- Employment relationship
- Industrial/Union matters

Mandatory content



- Flexibility clause
- Consultation clause (major change
 - significant effect)
- Dispute settlement

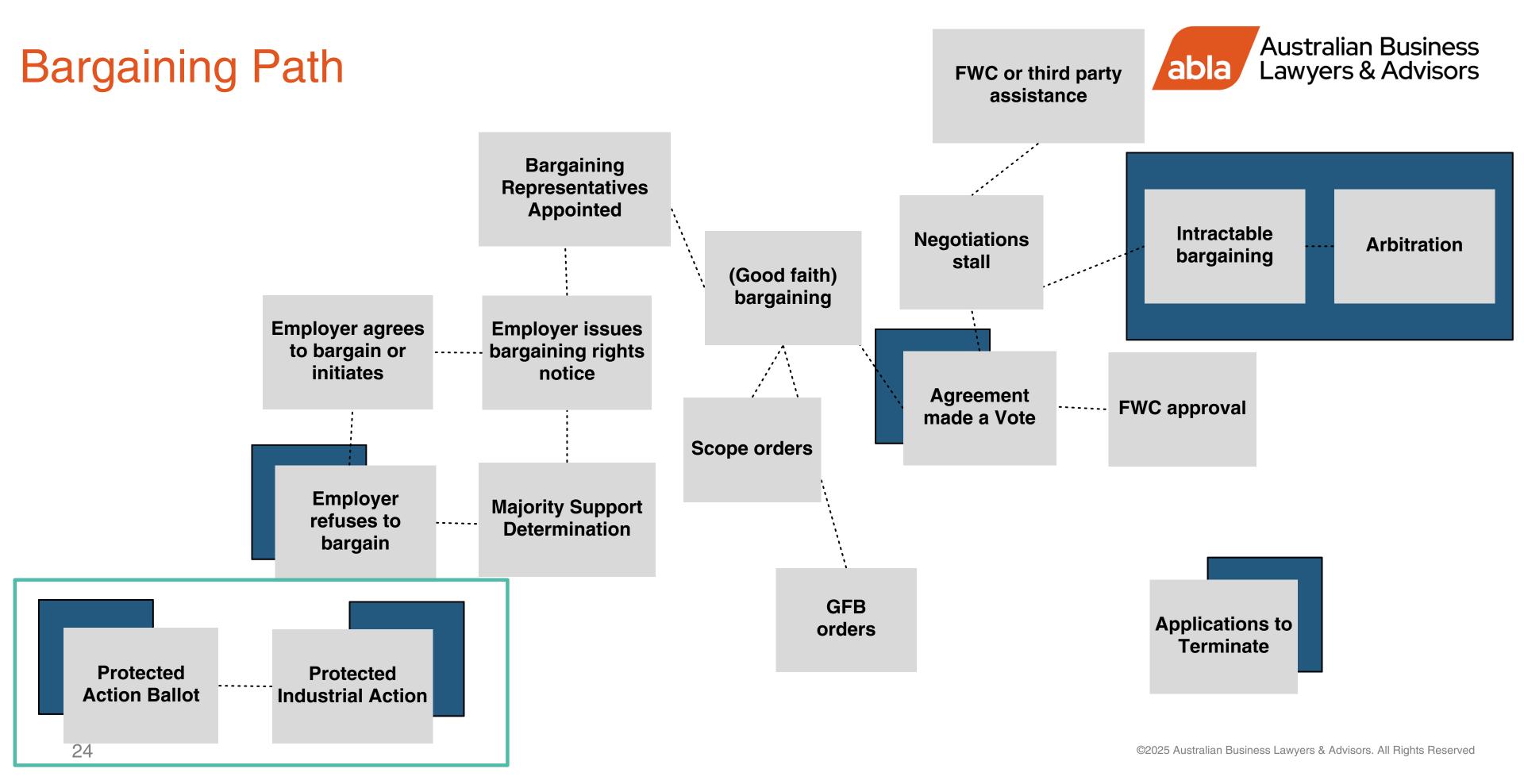
These are required but raise major issues for consideration

Unlawful terms



- 'Unfair Dismissal' terms
- Discriminatory terms
- Objectionable terms
- Right of entry (where dealt with under the act)

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Protected Industrial Action





Industrial Rights settled by Enterprise Agreement still in its nominal term

Industrial action unprotected and unlawful

Industrial Rights not settled No EA or Expired

Subject to Protected Action
Ballot industrial action
protected and lawful

Settled Rights Period

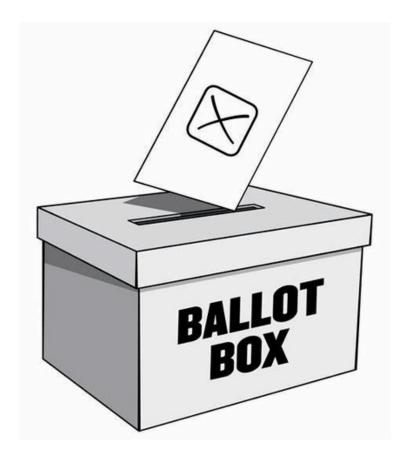
Unsettled Rights Period





Protected action ballots

- Bargaining Representative may apply on behalf of the employees it represents.
- Test Genuinely attempting to bargain.
- 50% of persons Bargaining Representative is acting for voted and 50% of those voting voted for action.



FWC Conciliation
Conference
between
Application and
Ballot vote
closure.

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Protected Industrial Action – 'rules'



- Action cannot commence until after any existing enterprise agreement expires.
- Employers must receive three working days notice of intention to take actual protected action (note law on ignoring or withdrawing).
- To be protected action must start within 30 days of ballot result.







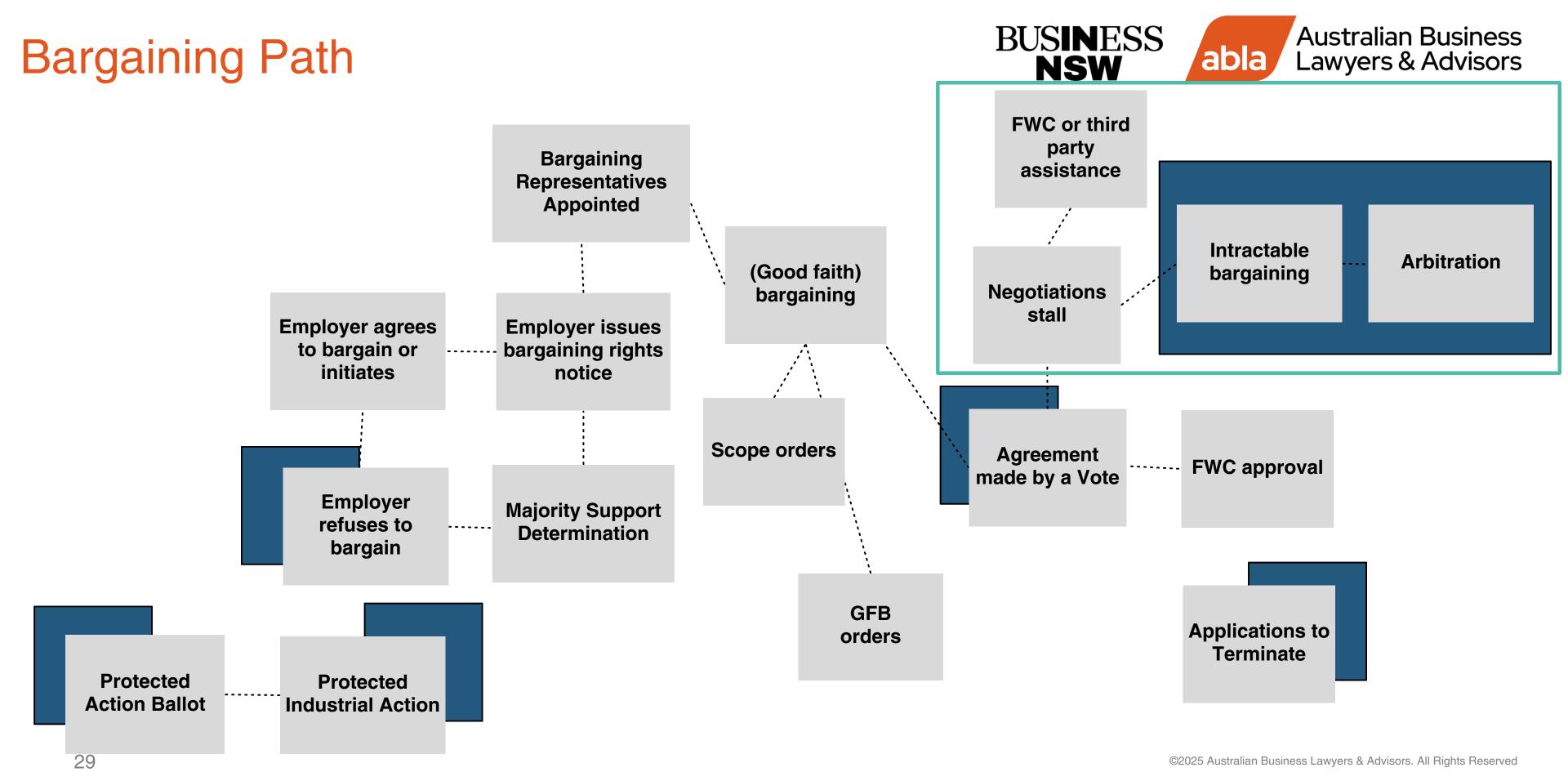
Protected Industrial Action

Partial Work
Ban

Stoppages of Work

Lock Outs

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Seeking assistance if negotiations stall





Various people can assist parties if negotiations stall.

- The parties can agree to use a third party to assist.
- FWC can assist "conciliation/mediation"



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Under the new rules



- Intractable bargaining (no reasonable prospects of an agreement)
- Application to FWC to conciliate (pre-condition)
- Application for declaration "intractable bargaining declaration"
- Possible further conciliation period
- Arbitration
- S 275 test in arbitration merits

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Making an Agreement





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Written notice of intention to hold vote



- Must be provided prior to 7 clear day access period
- Must indicate time and place of vote
- Must indicate method of vote

Essential to get this right

Employer provides access to **EA**



- Reasonable steps
- 7 days pre-vote

Employer explains EA



Reasonable steps

Substantial Exercise

Approval vote



- Vote to occur at least 21 days after notice of representation rights
- Seven clear day access period can run concurrently within 21 day period
- Approved if valid majority of voting participants (50% +1)

Voting Method

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FWC Approval of EAs



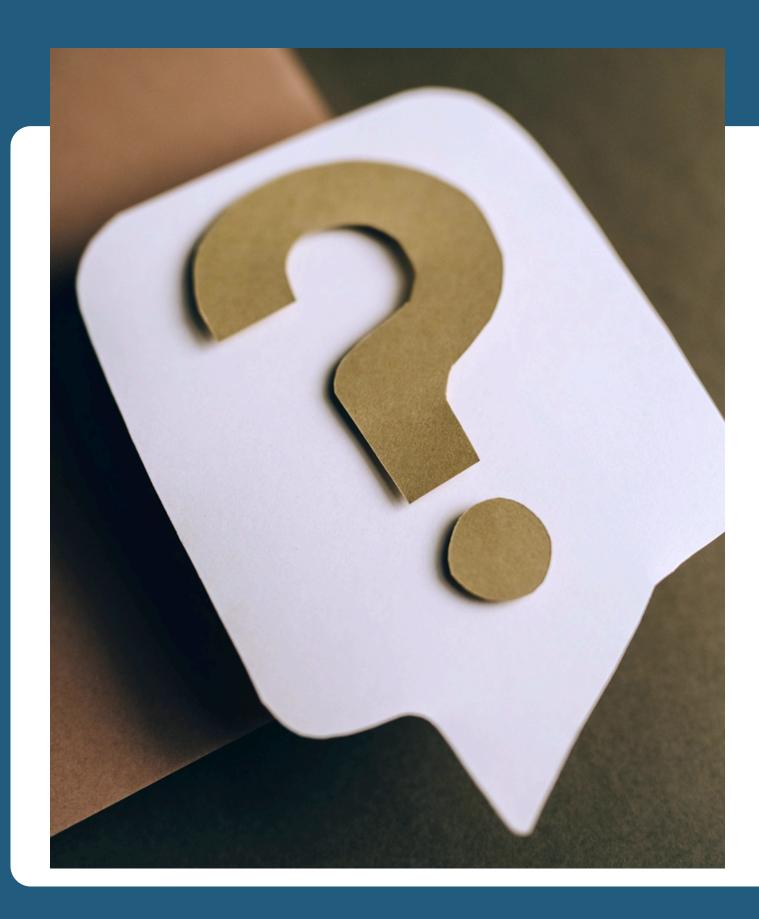


- 1. EA must be lodged within 14 days of approval
- 2. Genuine employee approval
- 3. NES not offended
- 4. Better Off Overall compared to relevant Modern Award (employee by employee)
- 5. Scope (fairly chosen)
- 6. No unlawful terms
- 7. Must contain nominal term max four years
- 8. DSP, Consultation and IFA
- 9. GFB requirements met



Be Careful! (Limited) undertakings to meet FWC concerns





Questions

How we can help



- Train your team dedicated Enterprise Bargaining course in April
- Mediation and dispute resolution
- Representation at Fair Work Commission proceedings
- Subscribe to ABLA updates at ablawyers.com.au/subscribe
- For legal assistance email info@ablawyers.com.au or call 1300 565 846

Resources











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