

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE
BUDGET ESTIMATES 2009-10**

Outcome 5

DEEWR Question No. EW0136_10

Senator Fisher provided in writing.

Question

Award modernisation process

In respect of the Building and Construction General On-Site Award 2010, drafted under Stage 2 of the award modernisation process; and specifically clause 17.2 of that award which relates to a redundancy pay entitlement of up to 8 weeks for workers:

1. What (if any) involvement did the Department have in the process leading to drafting of the award and inclusion of the provision?
2. Did the Department undertake any modeling or research in relation the provision?
3. Has the Department modeled;
 - (i) The cost of the provision to employers? What was found?
 - (ii) What measures employers would engage to recover these additional costs? What would the implication be for consumers?
 - (iii) The likelihood of employers seeking to engage workers on a subcontract basis to avoid paying redundancy pay? What did the Department find?
 - (iv) The effect of the provision on employment levels and job creation, particularly where there has not previously been an entitlement to redundancy pay in the case of voluntary resignation? What was found?
 - (v) The impact on business viability of this measure? What was found?

Answer

The Department had no involvement in the drafting of the Building and Construction General On-Site Award 2010 or the inclusion of the redundancy pay provision in the award.

The Department has not undertaken any modelling or research in relation to the provision.