



23 October 2019

Senator James McGrath
Chair Education & Employment
Legislation Committee

By email: eec.sen@aph.gov.au

Dear Chair,

**Re: Fair Work Laws Amendment (Proper Use of Worker Benefits) Bill 2019
Questions on Notice**

I refer to the above and to the questions on notice:

- A. taken from Senator Davey on 25 September; and
- B. issued on 4 October 2019.

Senator Perin Davey Question

1. At the Committee's Hobart hearing on 25 September 2019, Senator Davey asked the following question:

In one case, \$60 million in two years has been provided back to the ETU through sponsorships. Is that all clearly reported and accountable, as to where that money was spent and how that money goes back into suicide prevention programs, or does it just come in as general revenue and then those programs are conducted?

2. I took this question on notice.
3. The Protect Redundancy Scheme operates throughout Australia as an income protection insurer and redundancy trust.
4. Protect is an independent organisation, with its board comprising three representatives of the ETU, two of NECA, and two independent directors.
5. As a worker benefit fund, accounts in Protect neither earn interest nor are charged fees; entitlements are held as a defined benefit.
6. Interest earned on Protect's holdings is:
 - a. used for the administration of the scheme; and
 - b. from time to time, when financial prudent, distributed to its sponsor organisations (namely the ETU and NECA)

7. Prior to the introduction of the first iteration of this Bill, the average distributions were \$630,000 to the ETU, and \$210,000 to NECA.
8. For the avoidance of doubt, all distributions from Protect have been from the fund's surplus. At all times, all worker entitlements have been fully provided for; no workers' wages or entitlements have been distributed to the ETU or NECA.
9. The CEPU has an express policy that distributions from Protect **will not** be used in connection with any political, industrial or operational purposes. Instead, all distributions have been ploughed back into the industry in the form of:
 - a. Training programs and grants
 - b. Support with depression;
 - c. Education around electrical safety; and
 - d. Investment into OH&S systems.
10. Most recently, the distributions have been used to establish the Centre for U, a world leading institution providing over forty types of benefits to workers and their families. These include:

Personal and Family Services	<ul style="list-style-type: none"> • Domestic violence awareness • Counselling • Gambling and alcohol support • Women's self-defense • U-Turn Day Rehabilitation Program • Postnatal Depression support • Funeral cover • Ambulance cover • Autism support • Drug and alcohol support
Upskilling	<ul style="list-style-type: none"> • Train track awareness • Temporary wiring • Hazardous wiring • Apprentice tutorials • First Aid
Workplace support	<ul style="list-style-type: none"> • Preparation for work • Workers compensation advice • LGBTQI+ inclusivity • Drug and alcohol awareness • Suicide prevention
Health checks	<ul style="list-style-type: none"> • Skin cancer checks • Quit smoking support • Health checks • Healthy eating

11. For the avoidance of doubt, the answer to Senator Davey's question is:

Yes, the ETU has an express and binding policy prohibiting the use of distributions in connection with political, industrial or operational purposes.

Questions on Notice: 4 October 2019

12. With reference to the questions issued on 4 October 2019, these are questions properly directed to the ETU Victoria. I understand that the ETU Victoria has, or will be, corresponding with the Senate Committee separately.

I take this opportunity to again thank the Committee for its consideration of this matter.

Please do not hesitate to contact me if I can be of any further assistance to the Committee.

Yours faithfully,

Michael Wright
Assistant Secretary
Electrical Trades Union of Australia