

Senate Finance and Public Administration Legislation Committee —Additional Estimates Hearing—February 2017

Answers to Questions on Notice

Parliamentary departments, Department of Parliamentary Services

Topic: Enterprise bargaining for cleaners

Question: 71

Written Senator Wong

Date set by the committee for the return of answer: 13 April 2017

1. Is it correct that the Department of Parliamentary Services agreed to variations in the contract with Limro in the past?

For example, the answer to question on notice 32 from the 2015-16 Budget Estimates in May 2015 indicates a variation to the current contract in order to accommodate increased rates of pay.

2. Why has the Department of Parliamentary Services not pursued a variation in the contract to resolve this protracted and unnecessary dispute?

Answer

1. Yes. There have been 15 deeds of variation to the current contract with Limro.

Deed of Variation	Description
1	CPI increase for year ended 30 June 2008
2	CPI increase for year ended 30 June 2009
3	CPI increase for year ended 30 June 2010
4	Extension of contract in 2010 to 30 June 2014 (via letter) (Deed of Variation signed in April 2011)
5	Changes to Clause 59 Waste/Recycling 2011
6	Reduction in a number of services 2012
7	CPI increase for year ended 30 June 2011
8	Did not proceed – duplicate of deed of variation 7 – 2011.
9	Additional cleaning of Security bathrooms – 2011
10	Addition of NG61 and removal of former staff bar – 2012
11	Addition of new mail screening room and removal of area now occupied by Parliament House Briefing Room – 2012
12	CPI increase for year ended 30 June 2012
13	CPI increase for year ended 30 June 2013
14	CPI increase for year ended 30 June 2014
15	CPI increase for year ended 30 June 2015
16	CPI increase for year ended 30 June 2016

The variation referred to in the question above followed a request from Limro for a variation to the contract to reflect increased labour costs following Limro's signing of the *Clean Start Union Collective Agreement 2009* effective from 1 January 2010.

DPS wrote to Limro and advised that *'in the current contract the only provision for cost increase relates to the annual CPI increases and any changes to the contract will have to be agreed to by both parties. While DPS has not received additional funds to cover cost increases associated with Clean Start, in accordance with Section 3 of the Fair Work Principles DPS is prepared to consult with its suppliers to consider appropriate contract variations on a case-by-case basis.'*

Limro was asked to identify areas where the current contract could be varied without compromising the overall quality of the cleaning, for example the frequency of some cleaning items. These items would then be priced and used to find savings to assist Limro in offsetting the increased labour costs.

Subsequently, following meetings with Limro during 2011, a list of cleaning items that could be reduced in frequency or removed from the statement of requirement, and the resultant savings was identified. The identified changes equated to a saving of \$65,749.69 per annum to Limro Cleaning Services, on the basis that Limro would use the amount to fund staff pay increases.

A Deed of Variation reflecting these changes was signed by DPS and Limro in February 2012. The Deed of Variation with Limro is attached; this variation was for a reduction of services only. The value of the contract did not change and therefore gazettal on AusTender was not required.

2. As stated above the only provision in the current contract to vary the cost of the contract relates to the annual CPI increase.

The areas to be cleaned have not been varied since the February 2012 Deed of Variation.



Parliament of Australia

Department of Parliamentary Services

Deed of Variation - 6

Department of Parliamentary Services (DPS)
Contract Number: JH03024

between Commonwealth of Australia
 represented by the Department of
 Parliamentary Services

and Limro Pty Ltd
 ABN: 93 002 477 189

for The Provision of Cleaning Services at
 Parliament House

THIS DEED OF VARIATION is made

BETWEEN

COMMONWEALTH OF AUSTRALIA as represented by the Department of Parliamentary Services (DPS) ABN 52 997 141 147, Parliament House, PO Box 6000, Canberra ACT 2600

AND

LIMRO Pty Ltd ABN: 93 002 477 189, an Australian company incorporated in accordance with the Corporations Law and having its registered office at Unit 3, 11 Fitzroy Street, FORREST ACT 2603 ("**the Contractor**")

PURPOSE

- A The Contractor and DPS entered into Contract JH03024 ("**the Contract**") dated 1 July 2003, for the Provision of Cleaning Services at Parliament House.
- B DPS now wishes to vary certain rights and obligations contained in the Contract in the form of this Deed of Variation.

IT IS AGREED

1. To vary the Contract as follows:

1.1 DPS in its sole discretion exercises its right to

replace:

Clause 27 (b) weekly, dust timber venetian blinds in stairwell.

with:

Clause 27 (b) monthly, dust timber venetian blinds in stairwell.

replace:

Clause 30 (c) six-monthly, defrost and clean refrigerators.

with:

Clause 30 (c) annually, defrost and clean refrigerators.

replace:

Clause 31 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);

with:

Clause 31 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);

replace:

Clause 31 (e) six-monthly, defrost and clean refrigerators.

with:

Clause 31 (e) annually, defrost and clean refrigerators.

replace:

Clause 32 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);

with:

Clause 32 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);

replace:

Clause 32 (e) six-monthly, defrost and clean refrigerators.

with:

Clause 32 (e) annually, defrost and clean refrigerators.

replace:

Clause 33 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);

with:

Clause 33 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday) in the Deputy Leader of the Opposition, Leader of the Nationals, and Parliamentary Secretaries suites; and in all other suites empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day during sitting periods, once per day during non-sitting periods, and as required (Monday to Friday);

replace:

Clause 33 (e) six-monthly, defrost and clean refrigerators; and

with:

Clause 33 (e) annually, defrost and clean refrigerators; and

replace:

Clause 33 (f) (ii) empty waste-garbage and paper bins twice per day; and

with:

Clause 33 (f) (ii) empty waste-garbage, co-mingling and paper bin, replace bin liner bags once per day, and as required (Monday to Friday); and

replace:

Clause 34 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);

with:

Clause 34 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);

replace:

Clause 34 (e) six-monthly, defrost and clean refrigerators.

with:

Clause 34 (e) annually, defrost and clean refrigerators.

replace:

Clause 35 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);

with:

Clause 35 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);

replace:

Clause 35 (e) six-monthly, defrost and clean refrigerators.

with:

Clause 35 (e) annually, defrost and clean refrigerators.

replace:

Clause 37 (b) six-monthly, defrost and clean refrigerators and dust bookcases.

with:

Clause 37 (b) annually, defrost and clean refrigerators; and

add new clause:

Clause 37 (c) six-monthly, dust bookcases.

replace:

Clause 39 (b) six-monthly defrost and clean refrigerators and dust bookcases.

with:

Clause 39 (b) annually, defrost and clean refrigerators; and

add new clause:

Clause 39 (c) six-monthly, dust bookcases.

replace:

Clause 42 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday);

with:

Clause 42 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);

replace:

Clause 42 (e) six-monthly, defrost and clean refrigerators.

with:

Clause 42 (e) annually, defrost and clean refrigerators.

replace:

Clause 48 (c) six-monthly defrost and clean refrigerators.

with:

Clause 48 (c) annually, defrost and clean refrigerators; and

add new clause:

Clause 48 (d) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday).

replace:

Clause 49 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least twice per day, and as required (Monday to Friday);

with:

Clause 49 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least once per day, and as required (Monday to Friday);

replace:

Clause 50 (c) six-monthly defrost and clean refrigerators.

with:

Clause 50 (c) annually, defrost and clean refrigerators.

replace:

Clause 52 (b) empty waste/garbage and paper bins, replace bin liner bags at least twice per day and as required (Monday to Friday).

with:

Clause 52 (b) empty waste/garbage, co-mingling and paper bins, replace bin liner bags at least once per day and as required (Monday to Friday).

replace:

Clause 53 (b) damp wipe rubber wall buffers along basement walls;

with:

Clause 53 (b) weekly - damp wipe rubber wall buffers along basement walls;

replace:

Clause 54 (f) machine scrub pavers on lunchroom patios.

with:

Clause 54 (f) three monthly - machine scrub pavers on lunchroom patios.

delete:

Clause 55 (a) defrost refrigerators in suites, offices, tea rooms, and attendants' rooms;

Clause 55 (b) clean inside of kitchen cupboards;

Clause 55 (d) remove dust and any litter from underneath false floor in computer room, Sound and Vision Centre, Telecom PABX and Ministerial Communications Room.

Clause 56 Full clean of timber venetian blinds.

replace:

Clause 57 Clean light fittings (not recessed) below 2 metres.

with:

Clause 57 Clean the following items as itemised:

- (a) Clean light fittings (not recessed) below 2 metres;*
- (b) Full clean of timber venetian blinds;*
- (c) Remove dust and any litter from underneath false floor in computer room, Sound and Vision Centre, Telecom PABX and Ministerial Communications Room;*
- (d) Defrost refrigerators in suites, offices, tea rooms, and attendants' rooms;*
- (e) Clean inside of kitchen cupboards;*
- (f) Dust clocks; and*

(g) *Clean fire hydrant cupboards.*

delete:

Clause 61 (b) shampoo lift covers (42);

replace:

Annexure B to Schedule 3 clause 1:

Empty at least twice during each cleaning shift waste paper bins and receptacles, and clean bins inside and outside as necessary.

With:

Annexure B to Schedule 3 clause 1


Empty at least once during each cleaning shift waste/garbage, co-mingling and paper bins, replace bin liner bags at least once per day and as required (Monday to Friday).

2. In all other respects the terms and conditions of the Contract remain unaltered.

Executed as a deed dated: 26th day of February 2012

Signed for and on behalf of the
Commonwealth of Australia
represented by the
Department of Parliamentary
Services (DPS):
Alan Thompson
Secretary
**Department of Parliamentary
Services**

in the presence of:


Signature of DPS's Authorised Officer


Signature of Witness

IRENE HUNTER
Print Full Name of Witness

Signed for and on behalf of
Limro Pty Limited

Print name
by its duly authorised officer:
in accordance with section 127
of the Corporations Act 2001
(Cth) in the presence of:


Signature of Authorised Officer

haloe.
Signature of witness

LUCY ALOE
Print Full Name of Witness