Senate Standing Committee on Education Employment and Workplace Relations

QUESTIONS ON NOTICE Additional Estimates 2012-2013

Outcome 4 - Workplace Relations and Economic Strategy

DEEWR Question No. EW0928_13

Senator Abetz asked on 13 February 2013, Hansard page 87

Question

Appointment of Two Vice Presidents to the Fair Work Commission

Senator ABETZ: Media reports have indicated, and Mr Ross confirmed earlier today, that he had asked for a position, not for two positions. We were led to believe that the two positions were something that the president had advocated for and how dare we, as a coalition, stand in the way. We now find out that that is not what the President actually advocated for. Who put into the public domain, and on what basis, that the President was supportive of the appointment of two?

Mr Kovacic: My recollection is that there was some discussion at the last estimates hearing around that particular issue of the vice presidents in terms of where the suggestion was made. Also, at the Senate committee inquiry into the Fair Work Amendment Bill, there were some comments made by me in terms of the department's evidence to that committee of inquiry to that effect.

Senator ABETZ: Why were we told that the president supported two positions when it is quite clear he only supported one?

Mr Kovacic: My recollection is that the evidence that I provided to the committee is accurate. I am happy to check my notes of any conversations to see whether that is an accurate reflection. My recollection is that certainly the proposition of the creation of vice president positions was something that emanated from the president. With respect to the conversations as to whether it was around one position or two positions, I am happy to take that on notice and check my records.

Ms Paul: Why don't we check our own records as well as to what has been said, as you say, to the Senate about one or two? I am happy to do so.

Senator ABETZ: Did you advise the minister's office that the president was of the view that there should be two appointments?

Mr Kovacic: I would have to take that on notice to check because I cannot recall. Certainly there were conversations clearly in the context of development of the amendment bill with the office and the provision of advice around a range of issues associated with that bill.

Answer

The creation of the position of Vice President in Fair Work Australia (as it then was) and the number of positions to be created were issues raised in the lead up to and during the development of the Fair Work Amendment Bill 2012 (the Amendment Bill). As to the number of positions to be created, the number proposed did fluctuate across the course of the year.

For instance, in a meeting with Mr Kovacic on 30 April 2012 the President proposed that the *Fair Work Act 2009* be amended to provide for the appointment of two Vice Presidents who would have the same status as a Federal Court judge and be remunerated accordingly. A key issue canvassed in subsequent discussions between the President and the Minister for Employment and Workplace Relations during the development of the Amendment Bill was whether the Amendment Bill should provide for the appointment of one or two Vice Presidents. Reinforcing the fluid nature of the discussions on this issue, the appointment of only one Vice President was canvassed by the President during those discussions with the Minister.

It is against that background that Mr Kovacic stated in his evidence to the Senate Education, Employment and Workplace Relations Legislation Committee's inquiry into the Amendment Bill on 21 November 2012 that '...The creation of the two vice-president positions was suggested by Iain Ross, President of Fair Work Australia ...'