Senate Standing Committee on Education Employment and Workplace Relations

QUESTIONS ON NOTICE Supplementary Budget Estimates 2012-2013

Outcome 4 – Workplace Relations and Economic Strategy

DEEWR Question No. EW0674_13

Senator Abetz asked on 17 October 2012, Hansard page 117

Question

Deduction of union dues from employees under 18

Senator ABETZ: If you could, that would be good. I am not sure whether I have asked about this before, but somebody has written to me to say that the Fair Work Act 2009 requires an employer to obtain an employee's consent before they can deduct union dues from the employee's pay. Presently, employees who are under 18 years of age are able to give this consent. How does that work? I suppose if you are under 18 you can sign up for your own job. Mr O'Sullivan: I would just have to have a chance to look at the relevant provisions. Senator ABETZ: All right, take that on notice, thank you.

Answer

Subsection 324(1) of the *Fair Work Act 2009* (FW Act) provides that an employer may deduct an amount payable to an employee if:

- the deduction is authorised in writing by the employee and is principally for the employee's benefit; or
- the deduction is authorised by the employee in accordance with an enterprise agreement; or
- the deduction is authorised by or under a modern award or an FWA order; or
- the deduction is authorised by or under a law of the Commonwealth, a State or a Territory, or an order of a court.

Employees under 18 years of age are permitted to authorise a deduction under s 324 without parental consent. However, if a payment is being made for the benefit of an employer or a party related to an employer, s 326 of the FW Act provides an additional safeguard for junior employees.

Subsection 326(1) provides that a term of a modern award, an enterprise agreement or a contract of employment has no effect to the extent that it permits a deduction from an amount that is payable to an employee, or requires the employee to make payment to the employer or another person in circumstances where the employee is under 18 years of age and the deduction or payment has not been agreed to in writing by a parent or guardian.