

STRONGER TOGETHER

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Dr. Matthew Butlin

Presiding Commissioner

Local Government Enquiry

South Australian Productivity Commission

GPO Box 2343

Adelaide 5000

Email: sapc@sa.gov.au

RE: Response to Draft Report and Submissions in relation to the Local Government Enquiry

Dear Dr. Butlin,

The Australian Workers Union appreciates the invitation to meet with you and your colleagues on Tuesday 15th October 2019. Given our lengthy and detailed discussion we do not seek to rehash what already has been discussed rather reemphasise our main points of the meeting. The AWU is the sole Union covering outdoor workers in Local Government and has high density in all 68 Councils in SA. We are signatories to all Industrial Instruments and are a party bound to two Awards covering Local Government Workers. Prior to March 2018 the AWU was a member of the Premiers Local Government Forum which in part met with the then Premier to advise, address and discuss matters pertaining to Local Government. The AWU wishes to provide also a written submission addressing what we believe to be some misplaced commentary in relation to Wages in the sector affecting our members. To comprehend this fully we say that there needs to be education as to the clear understanding as to how Enterprise Bargaining works. We do not intend to take the Commission for a walk down memory lane however remind those who have an issue with Bargaining that almost 30 years ago this is what Employers sought through Award Modernisation and Collective Bargaining in their workplaces. Employers rejected a centralised wage fixing principle from previous years. We say to now draw comparisons to the relevant Award with respect to individual Agreements struck is a best mischievous or at worst demonstrates a lack of knowledge in this area.

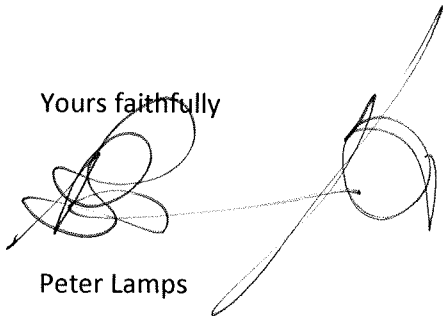
An Award of the Commission is a Safety Net an Instrument that intends to cover as broad an Industry or Sector as possible and as such also provides a Safety Net should an Agreement not apply in a Work place. Against that backdrop there are always going to be differences between the two. Further the rate of increase the AWU believes cannot be purely bench marked on some prevailing CPI or AAWI from the ABS. This is because through the process of Enterprise Bargaining outcomes between relevant workplaces will be different based upon an number of matters including but not limited to, terms of the Agreement, construct of the Agreement and final agreed wages outcomes. This is no different in the Private Sector where Agreements within an Industry look different between Employers. The AWU contends that during the 10 Year Period 2009 – 2019 Wage Increases of our membership have been in the main at or around CPI and where there are increases that provide for more then there is generally been some negotiated outcome to accommodate same. In our observations this rationale has not applied to very Senior Executives of Council

This is borne out by the fact that rates of pay for our Members in Local Government are reflective of Local Government and not the Private Sector. I remind the Commission also that at all material times outcomes be they wages and/or conditions are an agreed outcome hence why signatures of both parties are required on an EBA. Also in all but every instance Councils will apply for approval with the Commission. The AWU position is that we are not beholden one way or the other as to which style of negotiating the sector wants however we are not inclined to do a hybrid. Further we understand that not all Local Government employers are of a view to negotiate at an industry level they are more attuned to collective bargaining at their workplace.

The AWU is of a view however that where Local Government's are of cost is the greatest is in the area of waste. Consultants Fees, Legals, Service Reviews and duplication of services. Waste in any organisation is a cancer and is counterproductive. From a Legal perspective the AWU sees waste in this area of an unprecedented amount. Engaging external Legals when a fully functioning HR/IR Department exists in the Employers realm. Consultants being hired when simply if the Employer asked the Employees they would receive a more concise answer quicker and cheaper. Salaries of Senior Executives earning as much both monetary and monetary as the Premier of the State. We see enormous amounts of money also expended in legal trials and battles with respect to alleged Codes of Conduct breaches between elected members of Council. Contracting out of works traditionally performed by Council employees has demonstrated to the AWU that waste is exorbitantly high in this area due to including but not limited to, rectification by council workers of poor quality work performed by contractors, lack of understanding by Councils of their governance requirements in this area, lack of control by council of works performed and failure to harness skills inherent in council of its Employees. All of the above instances have been widely reported on.

The AWU in closing believes the Employees have much to give as they, in the main, are Community orientated given in general the council they work for is the council they live in so levels of pride in their work is high. Sadly however their worth is not reflected at times by the Industry.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Lamps', with a long, sweeping flourish extending upwards and to the right.

Peter Lamps

Branch and State Union Secretary

Australian Workers Union