

QUEENSLAND INDUSTRIAL RELATIONS COMMISSION

Industrial Relations Act 2016 (Qld)

s.458

Matters No. B/2024/50-51



APPLICATION FOR A DECLARATION OF GENERAL RULING

STATE WAGE CASE 2024

SUBMISSION OF THE
LOCAL GOVERNMENT ASSOCIATION OF QUEENSLAND (LGAQ)

23 AUGUST 2024

Introduction

1. The Local Government Association of Queensland (LGAQ) is the peak body for local government in Queensland, representing the state's 77 councils, with a combined workforce of approximately 45,000.

Local government context

2. The LGAQ recognises that local government is best served by a strong industrial system operating in a single jurisdiction that is contemporary, robust, and supported by a well- maintained and independent Industrial Relations Commission.
3. Local government recognises that it must compete for talent with other industries and must act to ensure the existence of a pool of skilled and qualified workers, First Nations and smaller sized councils are therefore reliant on the annual State Wage Case (SWC).
4. The LGAQ is committed to supporting Queensland councils to cost-effectively and safely deliver the essential services and infrastructure needed for liveable communities via an available, productive, skilled, and engaged workforce.
5. Local government is a vital sector of government that contributes every day to the liveability of Queenslanders and our economy. Queensland is home to some of the largest councils in Australia (including by population and area) along with many located in rural, remote and First Nations communities. This diverse makeup of Queensland local government requires the support of its 45,000 employees across the state to successfully deliver an immensely high proportion of projects to the community.

The LGAQ Position

6. The LGAQ has undertaken some consultation across its member base and the feedback is clear that local governments have traditionally relied upon the QIRC to deliver an annual SWC General Ruling which is consistent with the Federal Jurisdiction.
7. Local governments have again this year noted the most recent Decision of the Fair Work Commission's Annual Wage Review which provided a 3.75 per cent increase across federal modern awards including the National Minimum Wage, on 3 June 2024.
8. This is relevant to local governments for two reasons this year. Firstly, for the reason that the Federal Decision is typically delivered in the month of June, and has therefore been relied upon as a strong indicator and guidance of the likely QIRC Decision by those local governments (predominantly First Nations and smaller sized councils that do not have certified agreements in place) reliant on the SWC for the annual increases to their employees' wages, in the preparation of their annual budgets for employee costs at those individual local governments.
9. And secondly, the recent General Ruling lifting the applicable casual loading rate from 23 per cent to 25 per cent, with a Date of Effect of 23 September 2024. The casual employee rate across local government makes up approximately 10 per cent of the workforce, and this figure is higher when considering the workforce across the 17 First Nations councils where the proportion of casual workers is higher at 16% when compared with other councils.
10. This year there are two increases in September, an increase of an added 2 per cent to local government wages budgets applicable to their casual workforces, in addition to

the SWC General Ruling, which will create a greater financial impact on those First Nations and smaller sized councils that are Award reliant.

11. The LGAQ notes that planning for financial budget 2024-2025 has been undertaken guided by the Federal Decision.

12. A SWC General Ruling nominating an increase that would be greater than the 3.75 per cent identified would particularly impact those councils that are Award reliant and would be a further financial impact to those Queensland councils of whom the Queensland Audit Office has this last year reported that 48 of 77 councils are now rated as being at moderate to high risk of being financially unsustainable.

Conclusion

13. The LGAQ seeks a fair and reasonable wage adjustment, specifically:

- A fair and reasonable increase to the Queensland Minimum Wage of 3.75 per cent, but not greater than;
- An increase to award wage rates of 3.75 per cent;
- An increase of 3.75 per cent to existing and applicable allowances across the local government awards which relate to work or conditions that have not changed or that do not have mechanisms within the awards for varying the allowances; and
- The continuation of the existing custom and practice of the timing of the QIRC General Ruling being 1 September of the relevant year, which is relied upon by the local governments, supporting an operative date of 1 September 2024.

14. May it please the Commission.