

LEGISLATIVE COUNCIL

COAL MINING INDUSTRY LONG SERVICE LEAVE (REPEAL) BILL 1992

SECOND READING SPEECH

BY

THE HON JOHN P HANNAFORD MLC

ATTORNEY GENERAL AND

MINISTER FOR INDUSTRIAL RELATIONS

MR PRESIDENT,

THE BILL BEFORE THE HOUSE DEALS WITH THE ADMINISTRATIVE ARRANGEMENTS FOR LONG SERVICE LEAVE IN THE COAL MINING INDUSTRY. THE BILL WILL REMOVE NSW GOVERNMENT INVOLVEMENT IN ADMINISTERING THIS BENEFIT AND RETURN THAT FUNCTION TO THE COMMONWEALTH GOVERNMENT. THE COMMONWEALTH HAS HAD RESPONSIBILITY FOR COAL MINING INDUSTRY LONG SERVICE LEAVE SINCE IT WAS INTRODUCED AS AN ENTITLEMENT IN 1949. DAY TO DAY ADMINISTRATION OF THE BENEFIT HOWEVER HAS BEEN PROVIDED BY THE VARIOUS STATE GOVERNMENTS.

THIS BILL IS MADE AT THE REQUEST OF THE COMMONWEALTH GOVERNMENT. PASSAGE OF THE BILL WILL SUPPORT ESTABLISHMENT OF A NEW NATIONAL, INDUSTRY-RUN SCHEME FOR THE PROVISION OF LONG SERVICE LEAVE IN THE BLACK COAL MINING INDUSTRY ACROSS AUSTRALIA. THE NEW ARRANGEMENTS AIM TO PROVIDE GREATER EFFICIENCY AND EQUITY IN FUNDING AND ADMINISTRATION OF THESE BENEFITS.

THE NSW GOVERNMENT SUPPORTS THE MOVE TO DECREASE GOVERNMENT INVOLVEMENT IN THE PROVISION OF THESE BENEFITS. CONTROL BY INDUSTRY REPRESENTATIVES WILL ALLOW FOR A MORE PRACTICAL AND EXPERT OPERATION, WITH A GREATER AWARENESS OF THE IMPORTANT CONSIDERATIONS IMPACTING ON BOTH EMPLOYERS AND EMPLOYEES.

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SECONDLY, THE BILL WILL PROVIDE TRANSITIONAL PROVISIONS TO AUTHORISE THE CURRENT NSW ADMINISTRATION TO EFFECT THE TRANSFER OF ADMINISTRATIVE OPERATIONS BACK TO THE COMMONWEALTH.

MR PRESIDENT, THE CURRENT ADMINISTRATION FOR LONG SERVICE LEAVE REQUIRES EMPLOYERS TO SEEK REIMBURSEMENT FROM THE STATE ADMINISTRATION FOR AMOUNTS PAID TO EMPLOYEES AS LONG SERVICE LEAVE. THE STATE ADMINISTRATION IS THEN REIMBURSED BY THE COMMONWEALTH FOR BOTH LEAVE PAYMENTS AND FOR ADMINISTRATION COSTS ASSOCIATED WITH THE OPERATION OF THE SCHEME. TO DATE, FUNDING FOR LEAVE PAYMENTS HAS BEEN COLLECTED BY THE COMMONWEALTH FROM EMPLOYERS BY MEANS OF A LEVY ON COAL PRODUCED. ALL ADMINISTRATIVE COSTS OF THE SCHEME HAVE BEEN MET BY THE COMMONWEALTH GOVERNMENT. THESE SAME ARRANGEMENTS ALSO OPERATE IN QUEENSLAND, WESTERN AUSTRALIA AND TASMANIA..

CHANGES TO THESE ARRANGEMENTS HAVE BEEN INTRODUCED FOLLOWING AN INQUIRY COMMISSIONED BY THE COMMONWEALTH MINISTER FOR

INDUSTRIAL RELATIONS, SENATOR PETER COOK IN AUGUST 1990 WHICH EXAMINED THE FUNDING ARRANGEMENTS FOR COAL MINING INDUSTRY LONG SERVICE LEAVE. KNOWN AS THE WILLETT INQUIRY, THIS REVIEW FOUND THAT WHILE THE EXISTING EXCISE COLLECTIONS WERE SUFFICIENT FOR CURRENT LONG SERVICE LEAVE LIABILITIES, TWO MAIN DEFICIENCIES EXISTED.

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THE SECOND PROBLEM WAS A NET ACCRUED UNFUNDED LIABILITY FOR UNTAKEN LONG SERVICE LEAVE ESTIMATED AS AT 30 JUNE 1990 AT \$250.2 MILLION AUSTRALIA-WIDE.

THE COMMONWEALTH GOVERNMENT HAS PASSED 4 PIECES OF LEGISLATION TO REFORM THE FUNDING AND ADMINISTRATION OF LONG SERVICE LEAVE IN THE BLACK COAL MINING INDUSTRY. THESE ACTS, WHICH RECEIVED ROYAL ASSENT ON 26 JUNE 1992, ARE:

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THE NSW ACT TO BE REPEALED BY THIS BILL CONTAINS PROVISIONS WHICH GIVE ADMINISTRATIVE EFFECT TO THE OPERATION OF THE SCHEME. THE ACT PROVIDES FOR THE ESTABLISHMENT OF AN ACCOUNT IN TREASURY TO HOLD FUNDS, DETAILS THE SCHEME ADMINISTRATOR'S ROLE AND THE PROCEDURES TO BE FOLLOWED TO PROVIDE REIMBURSEMENT TO EMPLOYERS.

ONCE THE NSW ACT IS REPEALED THESE MATTERS WILL BE CARRIED OUT UNDER THE NEW ARRANGEMENTS BY THE COMMONWEALTH STATUTORY CORPORATION, THE COAL MINING INDUSTRY (LONG SERVICE LEAVE FUNDING) CORPORATION, ESTABLISHED UNDER SECTION 6 OF THE COAL MINING INDUSTRY (LONG SERVICE LEAVE FUNDING) ACT 1992.

MR PRESIDENT, I WOULD STRESS HERE THAT NEITHER THE EXISTING NOR THE PROPOSED LEGISLATIVE ARRANGEMENTS CREATE ANY ENTITLEMENT

TO LONG SERVICE LEAVE. THE LEGISLATIVE FRAMEWORK PROVIDES THE FUNDING AND ADMINISTRATIVE ARRANGEMENTS FOR EXISTING ENTITLEMENTS CONTAINED IN AGREEMENTS AND AWARDS COVERING COAL MINING EMPLOYMENT. THE CHANGES PROPOSED THEREFORE SIMPLY EFFECT A RE-ORGANISATION OF THE FUNDING AND ADMINISTRATION OF THESE BENEFITS.

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COAL MINING INDUSTRY LONG SERVICE LEAVE (REPEAL) BILL 1992

SECOND READING SPEECH

BY

THE HON JOHN P HANNAFORD MLC

ATTORNEY GENERAL AND

MINISTER FOR INDUSTRIAL RELATIONS

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THIS BILL IS MADE AT THE REQUEST OF THE COMMONWEALTH GOVERNMENT. PASSAGE OF THE BILL WILL SUPPORT ESTABLISHMENT OF A NEW NATIONAL, INDUSTRY-RUN SCHEME FOR THE PROVISION OF LONG SERVICE LEAVE IN THE BLACK COAL MINING INDUSTRY ACROSS AUSTRALIA. THE NEW ARRANGEMENTS AIM TO PROVIDE GREATER EFFICIENCY AND EQUITY IN FUNDING AND ADMINISTRATION OF THESE BENEFITS.

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LONDON
PRINTED BY
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CORPORATION MAY EITHER ADMINISTER THE NEW ARRANGEMENTS ITSELF, OR CONTRACT OUT THE OPERATION TO AN AGENCY.

THE POSSIBILITY OF THE CURRENT ADMINISTRATION BIDDING FOR AN ONGOING ROLE WILL DEPEND ON THE TERMS PUT FORWARD BY THE COMMONWEALTH STATUTORY CORPORATION. HOWEVER, ANY SUCH ARRANGEMENT WOULD BE ON A PURELY PRIVATE CONTRACTUAL BASIS, RATHER THAN ON A LEGISLATIVE BASIS. THESE MATTERS WILL BE ADDRESSED ON AN ADMINISTRATIVE LEVEL OVER THE NEXT FEW MONTHS.

HONOURABLE MEMBERS, THE PROPOSED BILL SUPPORTS REFORM OF THE COAL MINING INDUSTRY BY DECREASING GOVERNMENT INVOLVEMENT AND RETURNING ADMINISTRATION OF WORKER ENTITLEMENTS TO THE INDUSTRY ITSELF. THE COAL MINING INDUSTRY HAS GIVEN GENERAL SUPPORT FOR THE NEW ARRANGEMENTS, RECOGNISING THE MORE EQUITABLE AND EFFICIENT OPERATION WHICH IS INTENDED TO RESULT.

I COMMEND THE BILL TO THE HOUSE.

THE HISTORY OF THE
CITY OF BOSTON
FROM THE FIRST SETTLEMENT
TO THE PRESENT TIME
IN TWO VOLUMES
BY NATHANIEL BENTLEY
VOL. II
PUBLISHED BY J. B. BENTLEY
1822

FIRST PRINT

**COAL MINING INDUSTRY LONG SERVICE LEAVE
(REPEAL) BILL 1992**

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

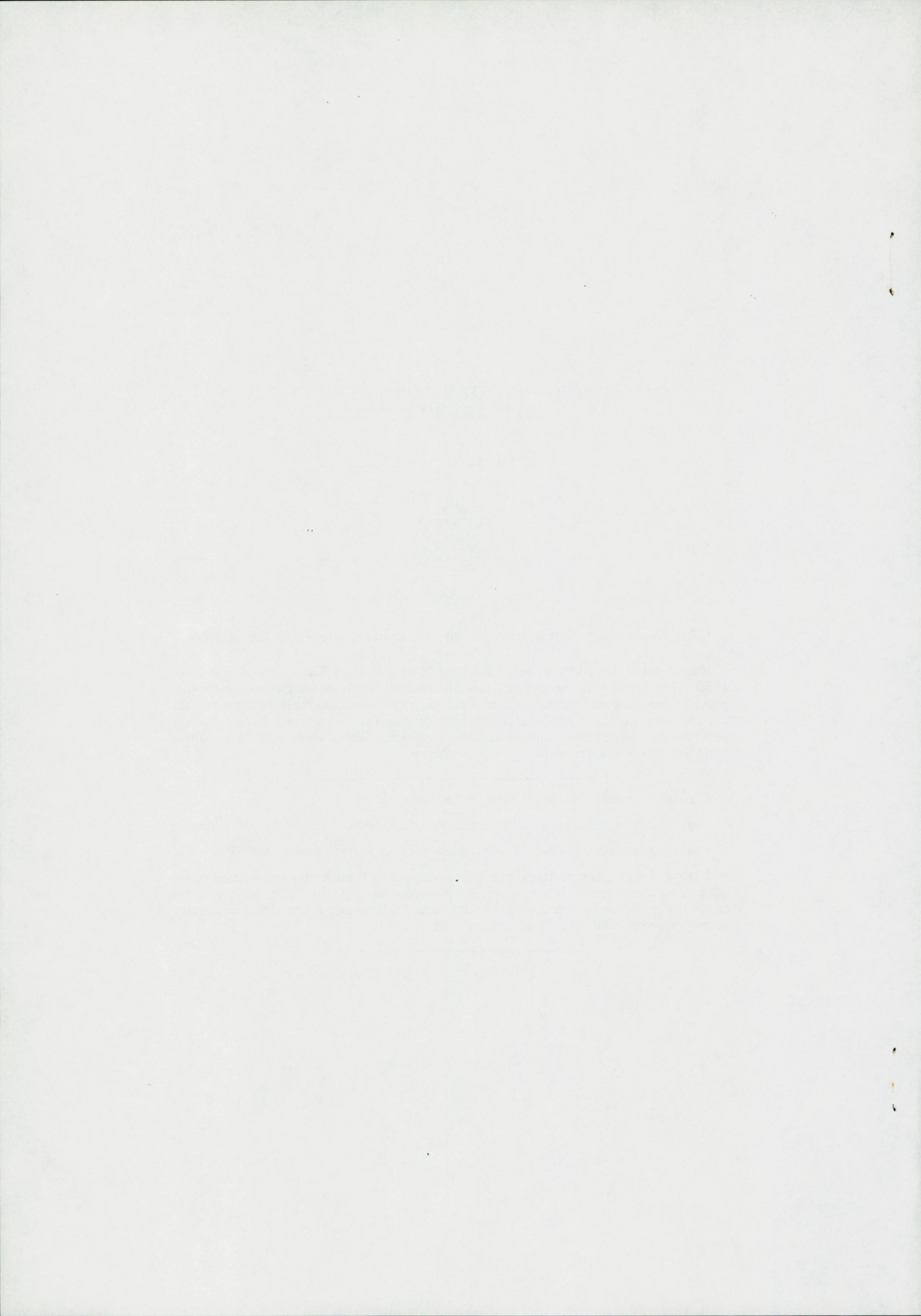
The object of this Bill is to repeal the Coal Mining Industry Long Service Leave Act 1950. The repeal will complement recently enacted Commonwealth legislation that provides for the establishment of a new compulsory national industry scheme to fund the long service leave entitlements of workers employed in the black coal mining industry. Apart from resolving outstanding transitional issues, there will be no direct State legislative involvement in the new scheme.

Clause 1 specifies the short title of the Bill.

Clause 2 provides for the Bill to commence on a day to be fixed by proclamation.

Clause 3 repeals the Coal Mining Industry Long Service Leave Act 1950.

Clause 4 contains transitional provisions designed to facilitate the termination of the State's involvement in the existing scheme for funding the long service leave entitlements of workers involved in the black coal industry and for reimbursing employers who have paid those entitlements.



FIRST PRINT

**COAL MINING INDUSTRY LONG SERVICE LEAVE
(REPEAL) BILL 1992**

NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
 2. Commencement
 3. Repeal of the Coal Mining Industry Long Service Leave Act 1950 No. 23
 4. Transitional provisions
-

**COAL MINING INDUSTRY LONG SERVICE LEAVE
(REPEAL) BILL 1992**

NEW SOUTH WALES



No. , 1992

A BILL FOR

An Act to repeal the Coal Mining Industry Long Service Leave Act 1950
and to provide for consequential matters.

Coal Mining Industry Long Service Leave (Repeal) 1992

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Coal Mining Industry Long Service Leave (Repeal) Act 1992.

5 Commencement

2. This Act commences on a day to be appointed by proclamation.

**Repeal of the Coal Mining Industry Long Service Leave Act 1950
No. 23**

10 3. The Coal Mining Industry Long Service Leave Act 1950 is repealed.

Transitional provisions

15 4. (1) In this section, "existing scheme" means the scheme, existing before the commencement of this Act, providing for funding the long service leave entitlements of workers employed in the black coal mining industry and for reimbursing employers who have paid those entitlements.

20 (2) Despite the repeal of the Coal Mining Industry Long Service Leave Act 1950, section 6 of that Act continues to have effect, and the Administrator appointed under that section continues to hold office as such, but only for the purpose of terminating the State's involvement in the existing scheme.

(3) When the State's involvement in the existing scheme is finally terminated, this section ceases to have effect.

25 (4) Regulations for the purposes of this Act may be made under clause 3 of Schedule 4 to the Statute Law (Miscellaneous Provisions) Act (No. 2) 1992 as if this Act were an Act to which that clause applied.

**COAL MINING INDUSTRY LONG SERVICE LEAVE
(REPEAL) ACT 1992 No. 82**

NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
 2. Commencement
 3. Repeal of the Coal Mining Industry Long Service Leave Act 1950 No. 23
 4. Transitional provisions
-

**COAL MINING INDUSTRY LONG SERVICE LEAVE
(REPEAL) ACT 1992 No. 82**

NEW SOUTH WALES



Act No. 82, 1992

An Act to repeal the Coal Mining Industry Long Service Leave Act 1950 and to provide for consequential matters. [Assented to 27 November 1992]

Coal Mining Industry Long Service Leave (Repeal) Act 1992 No. 82

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Coal Mining Industry Long Service Leave (Repeal) Act 1992.

Commencement

2. This Act commences on a day to be appointed by proclamation.

Repeal of the Coal Mining Industry Long Service Leave Act 1950 No. 23

3. The Coal Mining Industry Long Service Leave Act 1950 is repealed.

Transitional provisions

4. (1) In this section, “existing scheme” means the scheme, existing before the commencement of this Act, providing for funding the long service leave entitlements of workers employed in the black coal mining industry and for reimbursing employers who have paid those entitlements.

(2) Despite the repeal of the Coal Mining Industry Long Service Leave Act 1950, section 6 of that Act continues to have effect, and the Administrator appointed under that section continues to hold office as such, but only for the purpose of terminating the State’s involvement in the existing scheme.

(3) When the State’s involvement in the existing scheme is finally terminated, this section ceases to have effect.

(4) Regulations for the purposes of this Act may be made under clause 3 of Schedule 4 to the Statute Law (Miscellaneous Provisions) Act (No. 2) 1992 as if this Act were an Act to which that clause applied.

*[Minister's second reading speech made in—
Legislative Assembly on 29 October 1992
Legislative Council on 19 November 1992]*

