



**Submission to  
the Standing Committee on Public Works'  
Inquiry into Municipal Waste Management in NSW**

## **Introduction**

The Transport Workers' Union is registered in New South Wales and at the Federal level as the industrial organisation representing waste workers working for companies carrying out waste management services for local government.

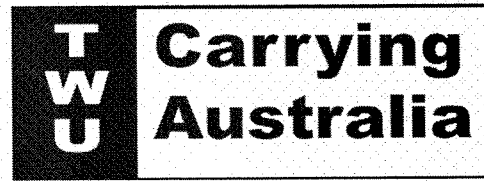
The contracting out of waste management services occurs across New South Wales. According to the records of the Transport Workers' Union, only seven councils within metropolitan Sydney carry out all waste collection services with a directly employed workforce. While councils exercise their right to contract out work, their responsibility to those doing work on their behalf cannot be ignored. The act of awarding a waste management contract to a new company can have a dire financial impact upon all members of the existing workforce, often including the loss of employment. In addition, the accrued entitlements, particularly long service leave, are endangered because of the cyclical nature of council contracts.

As such, this submission demonstrates that:

- 1) The ongoing employment of waste workers with significant local experience can significantly improve service delivery to residents;
- 2) The way that many councils tender for waste management services produces a negative impact on job security, working conditions and protection of entitlements; and
- 3) Minor changes to waste tender documents and contracts could ensure improved service delivery for councils and job security, working conditions and protection of entitlements for waste workers.

## **Experienced Workers and Improved Service delivery**

One of the most visible services provided by local government to residents is waste management. It is also one of the services which is most commented upon by residents. Waste workers often make minor adjustments to the manner in which they collect waste to ensure the least inconvenience possible to local residents. Such knowledge, and commitment to a quality service, is only possible with a workforce which has experience doing the same work over a period of time. If councils wish to enjoy the freedom of contracting out waste management services but preserve the standard of service provided, it



is in their interests to ensure that an existing, experienced workforce be offered employment should the contract change hands.

## **Outsourcing and job security**

The greatest concern held by members of the Transport Workers' Union in the waste industry is the security of their employment, working conditions and entitlements. As the Committee has identified, most councils outsource their collection of waste management services. Waste workers are, however, forced to contemplate their financial security each time a contract is re-tendered.

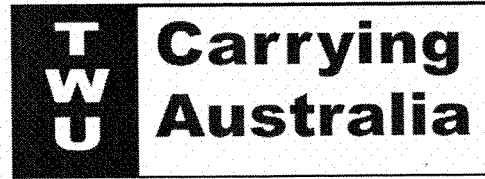
In spite of what is often decades of experience, a change in contractor can mean that workers are subject to the whim of the incoming contractor for continuing employment. The incoming contractor, in some cases, does not re-employ members of the existing workforce.

In some cases, employment is offered to the existing workforce, but at a lower rate of pay, producing a situation where the employee is forced to choose between re-arranging a family budget and potential unemployment. In the City of Sydney, for example, the difference in wages paid by contractors has produced considerable inequity because it still has two separate contracts for the former South Sydney area and the former City of Sydney area. The waste workers in the former City of Sydney area receive wages under a collective agreement which are considerably above award, while those working for a different company in the former South Sydney area receive award rates for performing the very same work. It is needless to say that the latter contractor has a high turnover of waste workers, resulting in a lack of corporate knowledge and possibly lower levels of service.

## **Entitlement protection**

Due to the cyclical nature of waste contracts, it is possible for waste workers to do work for the same council for many years without accruing long service leave entitlements. Under the Long Service Leave Act 1955, an employee is entitled to a pro rata long service leave payment after five years of service. If a council chooses to tender for waste management services more regularly than each five years, re-employed employees do not legally accrue an entitlement despite their service to the same council over a number of years.

Tony Bird, a current employee of Cleanaway and a former employee of Hennon's, Burkleys, Otto and JJ Johnston, has worked for Hurstville Council since 1972. Due to the fact that the contract was consistently re-awarded to different contractors, Tony Bird did not begin to accrue long service until Cleanaway acquired the contract in 1993. As such, after over twenty years of service to the same council, Mr Bird did not accrue any long service leave. Only as a result of Cleanaway's long-term relationship with Hurstville Council



has he accrued some of the long-service leave to which he has been entitled since 1972.

### **Successful protection of waste workers**

The Local Government Association, at its Annual Conference in October 2005, unanimously created policy to protect the employment, entitlements and working conditions of waste workers (see Attachment 1). The Transport Workers' Union is currently pursuing individual councils in attempt to have the policy formalised at a local government level. Thus far, Canterbury Council (Attachment 2) and the City of Sydney (Attachment 3) have endorsed the policy and future tender documents and contracts at those councils should include clauses to reflect the policy. Penrith Council has for a number of years protected the employment of the existing workforce upon a change in contractor.

The Transport Workers' Union has approached the NSW Government, and is currently lobbying for legislation or regulation to require the protection of employment, entitlements and working conditions in each contract for the provision of waste management services. The Transport Workers' Union sees this as the most effective way forward to ensure that councils who attempt to save money by contracting companies which provide their employees with inferior working conditions.

### **Recommendations**

1. That the Committee recognise that the contracting out of waste management services by councils can have a negative impact upon the job security, entitlements and working conditions of the employees of contracted companies.
2. That the Committee recognise the link between an experienced, well-trained waste management workforce to the provision of high waste service standards to local residents.
3. That, consistent with the policy of the Local Government Association referred to above, the Committee recognise a need for Councils to include provisions in their tender documents and contracts for waste management services to include the protection of the employment, entitlements and working conditions of waste workers.
4. That the Committee recommend that the Minister for Local Government ensure through legislation or regulation that all councils in New South Wales protect the employment, entitlements and working conditions of waste workers through their tender documents and contracts.

Winter and Summer Co operative Programs of the University of Western Sydney which are providing valuable work experience for senior students and excellent project work for industry partners at a reasonable cost.

## **16 Parramatta & Fairfield**

---

1. That the LGSA pursue necessary changes to legislation and awards so that employees of State and Local Government have full mobility of employment and conditions.
2. That as a minimum, in the short term, employees be recognised for accumulation purposes for extended leave when they move between State and Local Government employers.

## **17 Canterbury**

---

That this conference recognises the concerns of waste contract workers regarding the security of their employment and their entitlements. In some cases, due to regular changes in the contractor providing services to Local Government, long term employees are denied long service leave and other entitlements. Accordingly, conference recommends that all councils include the following provisions in waste tenders and contracts to improve employment conditions for waste workers:

The requirement that existing waste workers be offered preferred employment with any new contractor;

The requirement that waste contractors are responsible for all existing entitlements, working conditions and rates of pay for waste workers;

The right for waste workers to collectively negotiate their working conditions and wages;

The right for waste workers to improve their occupational health and safety; and

The right for waste workers to join and participate in their union.

## **L33 – Marrickville**

---

That the Association:

1. expresses its opposition to the determination of the Local Government Remuneration Tribunal to defer, at the request of the Minister for Local Government, any changes to the annual fee structure for 2005/2006; and
2. make urgent representations to the Minister for Local Government requesting that:
  - he require the Local Government Remuneration Tribunal to complete its current review as a matter of urgency;
  - the need for increases in Councillor fees be recognised in the review; and
  - the increase in annual fees be applied from 1 July 2005.
3. And that future remuneration determinations be considered by the Parliamentary Remuneration Tribunal.

2 **WORKPLACE RELATIONS**  
FILE NO: W-50-1

**Min. No. 414 RESOLVED** (Councillors Adler/Latham)  
THAT

1. The report be noted.
2. The following requirements be included with all future tender and contract documentation for waste services contracts:
  - 2.1 Existing waste services workers be offered preferred employment with any new contractor;
  - 2.2 Waste contractors be responsible for all existing entitlements, working conditions and rates of pay for waste services workers;
  - 2.3 The right for waste services workers to collectively negotiate their working conditions and wages;
  - 2.4 The right for waste services workers to improve their occupational health and safety; and
  - 2.5 The right for waste services workers to join and participate in their union.

3 **ABANDONMENT OF RATES AND CHARGES FOR THE YEAR ENDED 30 JUNE 2005**  
FILE NO: R-4-1

**Min. No. 415 RESOLVED** (Councillors Hawatt/Favorito)  
THAT 2004/2005 rates and charges detailed in a Register of Abandonments totalling \$52,845.30 be written-off and abandoned in accordance with Council's powers under the Local Government Act 1993 and Regulations thereto.

4 **CANTERBURY CITY COMMUNITY CENTRE REQUEST FOR MINOR IMPROVEMENTS**  
FILE NO: C-27-3 PT2

**Min. No. 416 RESOLVED** (Councillors Hawatt/Kritharas)  
THAT a supplementary vote of funds of \$10,300 be provided in the 2005/2006 City Plan and Budget.

5 **FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2005**  
FILE NO: A-3-2 PT4

**Min. No. 417 RESOLVED** (Councillors Hawatt/Robson)  
THAT

1. The General Purpose and Special Purpose Financial Reports of Council for the year ended 30 June 2005 be referred for audit.
2. As required by Section 413(2)(c) of the Local Government Act 1993, the Mayor and Deputy Mayor be authorised to sign the respective Statements by Councillors and Management for attachment to the Financial reports.
3. Pursuant to the receipt of the Auditor's Reports, these reports and Council's Financial Report be presented at a meeting of Council to be held on 24 November 2005.

## **WASTE TENDERING (S044437)**

4. By Councillor Firth

That Council:

1. Endorse and implement the motion passed unanimously at the 2005 LGA Annual Conference regarding the inclusion of worker friendly provisions in waste tenders and contracts
2. Ensure that all future City of Sydney tender and contract documentation for waste services contracts include the following requirements:

Existing waste services workers be offered preferred employment with any new contractor;

Waste contractors be responsible for all existing entitlements, working conditions and rates of pay for waste services workers;

The right for waste services workers to collectively negotiate their working conditions and wages;

The right for waste services workers to improve their occupational health and safety; and

The right for waste services workers to join and participate in their union.