
ATTENTION: General Managers and Human Resource Managers

Councils are advised that on 12 October 2011 the Hon. Donald Page, NSW Minister for Local Government, gave notice of a motion to introduce the *Local Government Amendment Bill 2011* (the "Bill") to the NSW Legislative Assembly. The Bill was formally introduced to the NSW Legislative Assembly earlier today (copy attached).

The Bill seeks to amend various provisions of the *Local Government Act 1993* (the "Act"), including amending section 220 of the Act. Up until late 2008, section 220 of Act provided that the legal status of NSW councils was that of a "body corporate". Section 220 of the Act was amended in November 2008 and as a consequence, the legal status of councils (and county councils) was changed from a "body corporate" to a "body politic of the State". This amendment was to ensure that NSW local government remained part of the NSW State industrial relations system and that councils (and county councils) would not be affected by the then federal government's WorkChoices industrial relations reforms. As you may be aware, the removal of the "body corporate" status created a variety of practical and legal problems for councils.

The Associations understand that there has been speculation that the Bill, if passed, will result in councils and county councils being transferred to the federal industrial relations system. Such speculation is incorrect.

On 22 December 2009, then NSW Minister for Industrial Relations, the Hon. John Robertson, declared that all NSW councils and county councils are non-national system employers pursuant to section 9A of the *Industrial Relations Act 1996* (NSW) (the "Order"), and on 17 December 2009 then federal Minister for Workplace Relations, the Hon Julia Gillard, endorsed the Order pursuant to s14(4)(a) of the *Fair Work Act 2009* (Cth) (the "Endorsement"), thereby confirming that all NSW councils and county councils are non-national system employers and part of the NSW State industrial relations system. The Associations understand that the Bill will have no effect on the Order/Endorsement and that a restoring of NSW councils' status to a "body corporate" will have no effect on the industrial relations jurisdiction that councils belong to and will not mean a transfer to the federal industrial relations system.

Please contact the Associations' Industrial Relations Unit if you require further information or assistance on (02) 9242-4142.

Yours sincerely

Adam Dansie
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