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AUSTRALIAN CAPITAL TERRITORY LEGISLATIVE ASSEMBLY

MILK AUTHORITY (AMENDMENT) BILL 1991

EXPLANATORY MEMORANDUM

**Circulated by authority of
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OUTLINE

This Bill amends the *Milk Authority Act 1971* to provide for equal opportunity in appointment and promotion of staff, and to ensure that these are based on the principle of merit. The Bill also requires the establishment of an equal opportunity program to assist in preventing unlawful discrimination and to promote equal opportunity for women and people in designated groups, as well as for others, to advance their careers in the Authority.

These amendments correspond to similar amendments being made to the establishing Acts of ACT public authorities as an integral part of the package of legislation surrounding the introduction of the *Human Rights and Equal Opportunity Bill 1991*.

The amendments are based on the equal opportunity provisions of the *Public Service Act 1922* and will therefore make the *Milk Authority Act* consistent with the law applying in the rest of the ACT public sector.

Financial Considerations: There are no financial considerations involved.

FORMAL CLAUSES

Clauses 1 and 2 are formal requirements. They refer to the short title of the Bill, and definition of the Principal Act.

AMENDMENTS

Clause 3 deletes from section 7 of the main Act reference to the former A.C.T. House of Assembly.

Clause 4 amends section 14A of the Principal Act by making terms and conditions of employment subject to the the new amendments.

Clause 5 Amends the Principal Act by inserting a new section after section 14A, namely section 14B.

Section 14B contains subsections (1) to (10):

Application of the Bill to the Authority's powers in relation to employment matters'

The key provisions of the Bill appear in subsections 14B(1) and 14B(2). These apply respectively

to the exercise of the Authority's 'powers in relation to employment matters'; and
 in relation to selection of persons for engagement as employees of the Authority, and to selection for advancement within the Authority.

An 'employment matter' is defined in subsection 14B(10) and includes selection for engagement as an employee, selection for advancement within the Authority transfer, training and staff development, conditions of service and any other matter related to the employment of persons by the Authority.

Prohibition of unjustified discrimination, patronage and favouritism

Paragraph 14(1)(a) provides that decisions in relation to employment matters must be made without unjustified discrimination, patronage and favouritism. 'Unjustified discrimination' (defined in subsection 14B(10)) includes discrimination on the ground of age or social origin, and discrimination prohibited by the *Human Rights and Equal Opportunity Act 1991*. According to subsection 14B(10) discrimination is permissible if:

- it is not unlawful under the *Human Rights and Equal Opportunity Act 1991*, is essential for the effective performance of the work required and is prescribed by regulation; or
- it is not unlawful and is in accordance with an equal opportunity program for the authority or other program established by the regulations.

Paragraph 14B(1)(b) provides that employment decisions must be made with regard to the equal opportunity program of the Authority.

An equal employment opportunity program is defined in subsection 14B(10) as a program designed to ensure that unjustified discrimination against designated groups such as Aboriginal people is eliminated and that such groups and women can have, along with others, equal opportunity for advancement and career development.

Subsections 14B(4) to 14B(7) set out procedures for establishing and reviewing the programs.

Application of Merit Based Principles to Employment Decisions

Subsection 14B(2) requires that decisions on the selection of persons for engagement by the Authority as employees and on selection for advancement within the Authority are made in accordance with procedures ensuring

- potential applicants, as far as is practicable, have a reasonable opportunity to apply for positions; and
- assessment is on the basis of merit, that is the relative suitability for the position, given the nature and requirements of the job, and

the relevant abilities, qualifications, experience, personal qualities and potential for development of the applicant.

The legislation makes it clear that practicality and reasonableness are the benchmarks for required procedures. It is not the intention of the Bill to impose impractical measures or unreasonable and unaffordable advertising and selection procedures as a requirement for appointment and advancement.

This subsection does not apply to temporary staff employed for a period of less than 3 months.

Subsection 14B(3) ensures that the Authority can also make reports or recommendations for carrying out of the principles established by this Act.

Equal opportunity program

Subsection 14B(4) requires the Authority to develop and to review from time to time, after consultation with relevant staff organisations and other appropriate persons, an equal employment opportunity program for the Authority.

A 'relevant staff organisation' is defined in subsection 14B(10) as an organisation within the meaning of the *Industrial Relations Act 1988* (Cth) of which employees of the Authority would be eligible for membership, and which is party to an award which covers employees of the Authority.

Subsections 14B(5), (6), (7) and (8) require the Authority to establish the program as soon as practicable, at least within 12 months of the commencement of this Act, to provide details of the program to the Head of Administration and to take any necessary action to give effect to the equal employment opportunity program. The Head of Administration may issue guidelines on the provisions, development, implementation or review of the program.

Measures adopted by the smaller statutory authorities in establishing equal employment opportunity programs will not have to be as extensive or complex as those of the larger authorities. Also EEO programs may be adapted to the particular nature and needs of the authority involved. Details can also be dealt with in the Guidelines as established by the Head of Administration.

Subsection 14B(9) requires the Authority to furnish to the Minister an annual report on the operation of the program.

Subsection 14B(10) is a definition section, establishing the meaning of the words "designated group"; "employment matter" referred to in subsection 14B(1); "equal employment opportunity program" referred to in subsections 14B(1) and 14B(4) to 14B(8); "relevant staff organisation" referred to in subsection 14B(4); and "unjustified discrimination" referred to in subsection 14B(1).

Clause 6: This clause removes sexist language from the principal Act by substituting the words 'Chairperson' for 'Chairman ' wherever it occurs.