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Fair cop for key changes to work rules

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ALMOST half of the state's small businesses do not understand the Fair Work Act and are not prepared for the January 1 compliance deadline, a survey reveals.

Initial findings of an in-depth study conducted by corporate governance advisers CompliSpace show 47 per cent of small and medium enterprises do not understand the key changes to workplace laws contained in the legislation.

Executive director David Griffiths said with the changes taking effect in less than two months, business owners needed to turn their attention to industrial relations.

"For the past 12 months, most managers have been firmly focused on maintaining their business through the downturn," he said.

"Now, employers need to address how dramatic changes to workplace laws will impact their individual business."

Ten national employment

standards will replace the minimum conditions of employment introduced by WorkChoices and the new system of modern awards will start on January 1.

Both the standards and modern awards will apply to most Australian businesses.

But research by CompliSpace shows 52 per cent of small businesses are not aware of the start date and 44 per cent do not keep copies of relevant awards.

"As it stands, many SMEs don't know what they don't know," Mr Griffiths said. "However, the Government and Fair Work Ombudsman have warned that ignorance will not be an acceptable excuse for non-compliance.

"Preparation in the next two months is critical."

To help small-business owners prepare for the workplace changes, CompliSpace has a free online tool that identifies "gaps" and compliance risks that need to be addressed

before the January deadline.

OBLIGATIONS

Preparing for the Fair Work Act:

■ ENSURE policies and procedures are in place to manage newly created obligations in areas such as flexible work arrangements for parents, community leave and redundancy entitlements.

■ IDENTIFY which Modern Awards will apply in your organisation's workplace, particularly as many work areas that were not covered previously will now be covered and Modern Awards are likely to be rigorously enforced.

■ DEVELOP internal systems and procedures to ensure compliance with the terms of the relevant Modern Award, or if the terms do not seem suitable, consider implementing some form of enterprise agreement that may provide more flexible working arrangements.