

## The Government is saying goodbye to the '30-Day Rule'

"Convoluted and confusing" is how Workplace Relations and Safety Minister Brooke van Velden has described the 30-Day Rule in her announcement that it will soon be scrapped. The removal of the union related rule is amongst other proposed changes aimed at making employers lives easier when they onboard new employees.

Currently, when a new employee who is not a union member starts work in a position that is covered by a collective agreement, the "30-day rule" must be applied.

What this means is that for the first 30 days of the employee's employment, their terms and conditions comprise the terms and conditions in the collective agreement that would bind the employee if they were a member of the union (plus any additional terms and conditions mutually agreed which are no less favourable). If the employee has not joined the union by the expiry of the 30-day period, the parties are free to vary the employment agreement as they see fit.

Hon Brooke van Velden has stated that new employees should be free to negotiate terms and conditions that suit their personal preferences or situation from day one of employment.

The additional benefit for employers if the 30-day rule is removed relates to 90-day trial periods. The 30-day rule currently poses a tricky situation for employers who want to utilise 90-day trial periods, but the clauses aren't present in the collective agreements that new employees are bound by for the first 30 days.

This is because when employers are able to introduce an individual employment agreement (after the first 30 days) the employee will no longer be considered a "new employee". 90 day trials cannot be agreed with persons who are already employees.

Hon Brooke van Velden has also announced there will be further changes to the way employers communicate and report back on union membership for new employees – signaling employers will no longer have to use the 'active choice form'.

The changes are to be included in the Employment Relations Amendment Bill that will be introduced this year and is expected to be passed by the end of 2025.

## Want to know more?

If you have any questions about this announcement, please contact our specialist <u>employment team.</u>