

2003

**THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN
CAPITAL TERRITORY**

HEALTH AMENDMENT BILL 2003

EXPLANATORY MEMORANDUM

Circulated by the authority of the Minister for Health

Simon Corbell MLA

HEALTH AMENDMENT BILL 2003

Summary

This Bill provides for specific authorisation, under the *Trade Practices Act 1974*, to enable the terms and conditions of engagement of visiting medical officers (VMOs) to be determined by collective negotiation. In the absence of this enabling legislation, any attempt by VMOs to negotiate with the Territory on a collective basis would expose them to possible prosecution.

The key rationale for a return to a collective negotiation process is to progressively eliminate inequities within and between specialist groups and to establish more consistent performance requirements for each group.

This amendment to the *Health Act 1993*, enables the Territory to negotiate collectively with a negotiating agent or agents for the VMOs. The amendment also defines the terms on which a negotiating agent may be recognised and establishes a dispute mechanism through arbitration.

Revenue / Cost Implications

The extent of any increases in the cost of VMO remuneration that may arise from the negotiation process will be determined by the negotiation process itself. However, indicative costings show a predicted increase in costs of \$228,000 for each 1% increase in overall remuneration costs.

Details of the Bill follow.

Clause notes

Clauses 1,2 and 3.

These are mechanical clauses that state the name of the Act, define the commencement date and specify the amended act.

Clause 4 **New Part 6A**

This clause inserts a new Part (6A) in the amended act containing sections 33A to 33H.

S33A

This section defines the key terms used in the legislative amendment.

S33B

This section provides for the inclusion of core conditions in all VMO contracts entered into after the commencement of the legislation. It binds all the parties, the Territory, negotiating agents and individual VMOs, to a consistent, transparent set of core conditions of engagement.

S33C

This section sets out the Minister's obligations in respect of the core conditions.

S33D

This section provides for a process of negotiation to set core conditions. It also requires the Minister to determine a period within which negotiations must take place.

S33E

This section sets out the criteria on which the Minister may approve the participation of agents to negotiate with the Territory on behalf of VMOs.

S33F

This section sets out the means by which an individual VMO may nominate a potential bargaining agent to negotiate on his or her behalf.

S33G

This section provides for a process of arbitration where agreement cannot be reached within the negotiating period determined.

S33H

This section provides for authorisation, for the *Trade Practices Act 1974*, for collective negotiation between the Territory and approved negotiating agents in order to set the conditions of service contracts.

Clause 5

This clause inserts a new section (37A) in the amended act.

S37A

This section authorises the Minister to approve forms for particular purposes, such as a form for nomination of an authorised representative by a VMO.