



FairWork
Commission

27 January 2017

Mr Glen Seidel
Branch Secretary
Independent Education Union – South Australia Branch

via email: gseidel@ieusa.org.au

Dear Mr Seidel

Section 271 application for exemption from the financial reporting obligations of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 for financial year ended 31 December 2016 (FR2016/414)

I refer to your application pursuant to s271 of the *Fair Work (Registered Organisations) Act 2009*, lodged in the Fair Work Commission on 23 January 2017, in respect of the South Australia Branch of the Independent Education Union (**IEU SA**) for the financial year ended 31 December 2016.

I am satisfied that the IEU SA is a reporting unit and that it did not have any financial affairs in the financial year which ended 31 December 2016. The attached certificate reflects this decision.

If you wish to discuss this matter, please contact Ms Joanne Fenwick on 03) 8656 4681 or by email to joanne.fenwick@fwc.gov.au.

Yours sincerely

Chris Enright
Director
Regulatory Compliance Branch

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CERTIFICATE

Fair Work (Registered Organisations) Act 2009

s.271 - Reporting unit's exemption from requirements of Chapter 8, Part 3

Independent Education Union (South Australia) Branch
(FR2016/414)

MR ENRIGHT

MELBOURNE, 27 JANUARY 2017

Certificate of exemption from the requirements of Chapter 8, Part 3 of the Fair Work (Registered Organisations) Act 2009

[1] On 23 January 2017 an application was made under s 271 (1) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the South Australia Branch of the Independent Education Union for a certificate of exemption in respect of the financial year ended 31 December 2016.

[2] On the basis of the material provided in the application, I am satisfied that the applicant is a reporting unit that did not have any financial affairs in respect of the financial year which ended 31 December 2017.



DELEGATE OF THE GENERAL MANAGER

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Union (SA)

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23 January 2017

Regulatory Compliance Branch
Fair Work Commission
By email: orgs@fwc.gov.au

**Re: Financial Reporting Requirements Independent Education Union
(South Australia) Branch 2016**

A s.271 application for exemption was applied for and granted for the 2015/2016 financial year (1 February 2015 to 31 January 2016) and again I seek a s.271 certificate for the 2016 financial year (1 Feb 2016 to 31 Dec 2016) on the grounds that the reporting unit (the Branch) did not have any financial affairs.

The various branches of the IEUA which have associated state registered unions either have or are currently in the process of transferring their financial operations (including the employment of staff) from the state entity to the IEUA branch entity. The SA Branch transitioned financial operation from the state Union (Independent Education Union (South Australia) Inc) at midnight December 31st 2016.

There is no intention to alter the current organisational structure

1. The Branch and the state Union share the same membership
2. The Branch and the state Union share the same executives, including office holders.
3. The Branch and the state Union, however, do conduct separate executive meetings.
4. The existence of the state Union predates the existence of the IEUA (and hence the SA Branch) but both SA bodies have different responsibilities and the conducting of business under one "hat" or the other is neither a contrivance nor a sham.

Up until 31st December 2016, the historical financial arrangements between the state Union (IEU(SA) Inc) and the IEUA branch (IEU(SA) Branch) have been as follows:

1. The state Union conducted financial transactions on behalf of both bodies without formally differentiating state and federal expenses.

2. The state Union owned the assets, operated the bank accounts, entered into financial arrangements, employed staff, set and collected membership fees and expended funds for the objects of both bodies.

With the lapsing of transitional recognition arrangements on 31 December 2016, the employment of state Union staff has formally passed to the Branch in order to allow for Right of Entry permits to be issued.

1. Bank accounts have been established in the name of the Branch, the Branch has registered for GST, payroll tax etc
2. The state Union has retained ownership of the office building located at 213 Currie St, Adelaide and an arrangement has been entered into with the Branch for its use of same.
3. The IEUA has adopted a common set of accounts and policies to facilitate full and consistent financial reporting by all branches. The SA Branch will fully participate in this accounting and reporting regime from 1 Jan 2017.

Regulation 165 prescribed circumstances are as follows

165 Prescribed circumstances (s 271 (1))

For subsection 271 (1) of the Act, the following circumstances are prescribed:

(a) whether the reporting unit expends economic resources or incurs any financial obligations to conduct its activities;

(b) whether another reporting unit of the organisation expends its own economic resources or incurs financial obligations so that the reporting unit may conduct its activities;

(c) whether any person or body corporate or trust expends its own economic resources or incurs financial obligations so that the reporting unit may conduct its activities.

1. Reg 165 (a) - the reporting unit does not expend any of its own economic resources nor does it incur any financial obligations to conduct its activities and
2. Reg 165 (b) - another reporting unit of the organisation does not expend its own economic resources or incur financial obligations so that the reporting unit may conduct its activities and
3. Reg 165 (c) - the state Union (IEU(SA) Inc) expends its own resources and incurs financial obligations so that IEU(SA) Branch may conduct its activities.

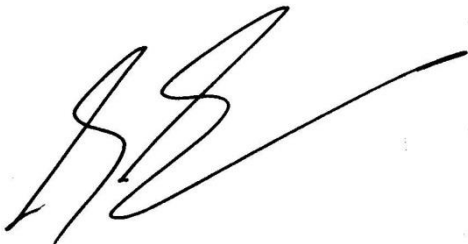
Further I declare that for the 2016 financial year

1. The reporting unit did not maintain a bank account
2. The reporting unit did not hold any money in cash
3. The reporting unit did not receive any revenue during the financial year
4. The reporting unit did not expend any money during the financial year

5. The reporting unit incurred liabilities only so far as the affiliation fees payable to the Independent Education Union of Australia (IEUA) and to the Australian Council of Trade Unions (ACTU). These amounts were paid by and from the state Union's resources as were the costs associated with attendance at federal IEUA meetings.
6. No other reporting unit received money or incurred financial obligations so that the reporting unit could conduct its activities
7. The associated state registered union – Independent Education Union (South Australia) Inc had a formalised arrangement with the reporting unit that the state body (IEU(SA)Inc) collects membership fees from the common membership without differentiating or transferring a proportion due to the reporting body. Similarly the incidental expenses of the reporting unit were met from the funds of the state body (IEU(SA)Inc) without a requirement to reimburse the state body.

The Branch will however fully report financial affairs occurring on and from 1 January 2017.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'G. Seidel', written in a cursive style.

Glen Seidel
IEU(SA) Branch Secretary
0417 821 061, gseidel@ieusa.org.au