



# Fair Work

## fact sheet #8



## Individual Flexibility Agreements (IFA's)

### Under WorkChoices

- Employers could make an offer of employment conditional on workers signing an AWA;
- AWA's were used by employers to vary working conditions from the collective agreement or award to be able to use workers "flexibly";
- Flexibility in AWAs meant that workers lost penalty rates and take home pay, lost regular and reasonable hours and often your employer could change these critical conditions without your agreement at any time.

### Under the Fair Work Act

Individual Flexibility Arrangements (IFA's) have been introduced

- Even though AWA's have been abolished, delegates need to be aware of the risks associated with the new Individual Flexibility Arrangements (IFA's).
- IFA's are agreements made between the employer and an individual employee.
- Although IFA's are supposed to leave the individual employee better off, no tribunal has to see, test or approve them.
- There is a potential that IFA's can be used to undermine collectively agreed conditions by stealth or by putting new employees on different arrangements.

- Some new federal modern awards will contain provision for IFA's and every enterprise agreement must include a term allowing for IFA's to be introduced.

### Keep Control of Flexibility in Your Workplace – no "Model Clause"

- It is critical that delegates attempt to negotiate flexibility terms which limit an open slather approach to IFA's in any new enterprise agreement.
- IFA's are best restricted to those circumstances where, for instance, an individual employee might need work and family flexibility, or to formalise existing flexibilities.
- Unfortunately, enterprise negotiations cannot avoid the issue as a failure to include a flexibility term will result in a legislative default model clause being incorporated into an agreement.
- The "model clause" should be avoided wherever possible because it is too risky and broad.
- Delegates need to be extremely vigilant about IFA's and seek advice if the employer tries to introduce them or push through a clause in an enterprise agreement.