



DETERMINATION

Fair Work Act 2009

s.156—4 yearly review of modern awards

4 yearly review of modern awards—plain language re-drafting—shutdown provisions

(AM2016/15)

HYDROCARBONS INDUSTRY (UPSTREAM) AWARD 2020

[MA000062]

Oil and gas industry

JUSTICE HATCHER, PRESIDENT

DEPUTY PRESIDENT ASBURY

COMMISSIONER HUNT

SYDNEY, 3 MARCH 2023

4 yearly review of modern awards – plain language re-drafting – shutdown provisions – Hydrocarbons Industry (Upstream) Award 2020 – variation to clause 25.7.

A. Further to the decision issued by the majority of the Full Bench on 22 December 2022 [\[\[2022\] FWCFB 246\]](#), the above award is varied as follows:

1. By deleting clause 25.7 and inserting the following:

25.7 Direction to take annual leave during shutdown or lay-ups

(a) Clause 25.7 applies if:

- (i) an employer intends to shut down all or part of its operation for a particular period (**temporary shutdown period**); or
- (ii) it is necessary for a drilling rig to lay-up for repairs, survey or maintenance or where the rig cannot be usefully employed for any cause beyond the employer's control (**lay-up period**); and
- (iii) the employer wishes to require affected employees to take paid annual leave during that period.

(b) The employer must give the affected employees:

- (i) 28 days' written notice of a temporary shutdown period; or

(ii) one week's written notice of a lay-up period

or any shorter period agreed between them and the majority of relevant employees.

- (c) The employer must give written notice of a temporary shutdown period or lay-up period to any employee who is engaged after the notice is given under clause 25.7(b) and who will be affected by that period, as soon as reasonably practicable after the employee is engaged.
- (d) The employer may direct the employee to take a period of paid annual leave to which the employee has accrued an entitlement during a temporary shutdown or lay-up period.
- (e) A direction by the employer under clause 25.7(d):
 - (i) must be in writing; and
 - (ii) must be reasonable.
- (f) The employee must take paid annual leave in accordance with a direction under clause 25.7(d).
- (g) In respect of any part of a temporary shutdown or lay-up period which is not the subject of a direction under clause 25.7(d), an employer and an employee may agree, in writing, for the employee to take leave without pay during that part of the temporary shutdown period.
- (h) An employee may take annual leave in advance during a temporary shutdown period or lay-up period in accordance with an agreement under clause 25.12.
- (i) In determining the amount of paid annual leave to which an employee has accrued an entitlement, any period of paid annual leave taken in advance by the employee, in accordance with an agreement under clause 25.12, to which an entitlement has not been accrued, is to be taken into account.
- (j) Clauses 25.8 to 25.10 do not apply to a period of annual leave that an employee is required to take during a temporary shutdown period or lay-up period in accordance with clause 25.7.

2. By updating the cross-references accordingly

B. This determination comes into operation on 1 May 2023. In accordance with s.165(3) of the *Fair Work Act 2009* this determination does not take effect in relation to a particular

employee until the start of the employee's first full pay period that starts on or after 1 May 2023.



PRESIDENT

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