



Australian Government

Department of Education, Employment and Workplace Relations

SIRXGLC002A Establish compliance with legal and legislative requirements

Revision Number: 1

SIRXGLC002A Establish compliance with legal and legislative requirements

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to identify and understand the salient features of the legal environment as they affect businesses, and to establish compliance with legal and legislative requirements.
------------------------	--

Application of the Unit

Application of the unit	This unit addresses and makes special reference to business to business aspects of contract law, intellectual property, product recall risk and transfer of ownership across national boundaries.
--------------------------------	---

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units	Nil
---------------------------	-----

Employability Skills Information

Employability skills The required outcomes described in this unit contain applicable facets of employability skills. The Employability Skills Summary of the qualification in which this unit is packaged will assist in identifying employability skills requirements.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency. Performance criteria describe the required performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the required skills and knowledge and/or the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA												
1 Examine compliance of current business to legal systems.	<table><tr><td>1.1</td><td>Determine key elements of major <i>legal systems</i> affecting business to business operations.</td></tr><tr><td>1.2</td><td>Compare various issues affecting <i>different forms of contract</i> within business operations.</td></tr><tr><td>1.3</td><td>Detail business entities commonly encountered in the business environment.</td></tr><tr><td>1.4</td><td>Examine legal aspects of <i>financial transactions</i> within business operations.</td></tr><tr><td>1.5</td><td>Determine <i>legal requirements</i> for the sale of products and services across state, territory, regional and national borders.</td></tr><tr><td>1.6</td><td>Examine legal implications of e-commerce for business to business operations.</td></tr></table>	1.1	Determine key elements of major <i>legal systems</i> affecting business to business operations.	1.2	Compare various issues affecting <i>different forms of contract</i> within business operations.	1.3	Detail business entities commonly encountered in the business environment.	1.4	Examine legal aspects of <i>financial transactions</i> within business operations.	1.5	Determine <i>legal requirements</i> for the sale of products and services across state, territory, regional and national borders.	1.6	Examine legal implications of e-commerce for business to business operations.
1.1	Determine key elements of major <i>legal systems</i> affecting business to business operations.												
1.2	Compare various issues affecting <i>different forms of contract</i> within business operations.												
1.3	Detail business entities commonly encountered in the business environment.												
1.4	Examine legal aspects of <i>financial transactions</i> within business operations.												
1.5	Determine <i>legal requirements</i> for the sale of products and services across state, territory, regional and national borders.												
1.6	Examine legal implications of e-commerce for business to business operations.												
2 Establish compliance of current product recall policy and procedures.	<table><tr><td>2.1</td><td>Develop recall <i>procedures and guidelines</i> for supplier-initiated recalls.</td></tr><tr><td>2.2</td><td>Develop recall procedures and guidelines for wholesale business recalling its products and services.</td></tr></table>	2.1	Develop recall <i>procedures and guidelines</i> for supplier-initiated recalls.	2.2	Develop recall procedures and guidelines for wholesale business recalling its products and services.								
2.1	Develop recall <i>procedures and guidelines</i> for supplier-initiated recalls.												
2.2	Develop recall procedures and guidelines for wholesale business recalling its products and services.												

ELEMENT	PERFORMANCE CRITERIA
	2.3 Develop recall procedures and guidelines for government or industry initiated recalls. 2.4 Ensure product recall procedures and guidelines comply with prevailing legislative, legal and industry requirements. 2.5 Circulate product recall procedures and policies to relevant personnel and business partners. 2.6 Establish procedures for halting or monitoring the sale and distribution of recalled products. 2.7 Inform staff of risks associated with recalled products. 2.8 Establish policy and procedures for dealing with media and consumer enquiries relating to product recalls. 2.9 Establish storage, isolation or disposal process for recalled products according to risk and recall notification. 2.10 Analyse records and reports on product recall activities and costs.
3 Analyse responsibilities and accountabilities of parties undertaking business transactions.	3.1 Determine legal rules relating to ownership of assets and intellectual property. 3.2 Apply legal rules relating to the transfer of risk. 3.3 Design and issue warranties in compliance with relevant legislation. 3.4 Ensure insurance for business operations and products complies with relevant legislation. 3.5 Ascertain legal remedies and enforcement options available for the resolution of disputes.
4 Analyse and apply principles in business and contract law.	4.1 Determine requirements for a valid contract to be formed in a business environment. 4.2 Apply remedies available for breaches of contract within a business to business transaction. 4.3 Analyse range of principles affecting business to business licensing and other agreements.

ELEMENT	PERFORMANCE CRITERIA
5 Analyse how the law protects intellectual property.	5.1 Determine major principles relating to intellectual property and its creation.
	5.2 Compare various forms or categories of intellectual property.
	5.3 Determine operation of the law with regard to proprietary interests held by a company or individual in a wholesale product being traded overseas.
	5.4 Apply law of copyright in business to business transactions and relationships.
	5.5 Apply law of design in business to business transactions and relationships
	5.6 Analyse various methods of regulating patents and trade marks in an international and local business environment.
	5.7 Apply principles of assignment and licensing of intellectual property rights.
	5.8 Determine legal consequences of franchising of intellectual property rights held by a business.
6 Identify risks associated with managing supply across national boundaries.	6.1 Determine basic risk management strategies for addressing legal requirements when managing an international business venture or operation.
	6.2 Determine nature and extent of risk with regard to legal requirements affecting the conduct of overseas business transactions.
	6.3 Identify potential risk factors with regard to international legal requirements affecting trade and overseas business.
	6.4 Examine roles and responsibilities of carriers and owner under legislation, conventions and rules covering transport of goods by sea.
	6.5 Determine international application and provisions covering the sale of goods for business transactions.
	6.6 Establish costs and consequences of non-compliance with key international legal obligations and requirements.
	6.7 Determine risks associated with different modes of transport for products.

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the essential skills and knowledge and their level, required for this unit.

The following skills must be assessed as part of this unit:

- literacy and numerical skills in order to:
 - interpreting language and meaning associated with legislative, statutory, legal, insurance and contractual documents that span national and international contexts
 - determine the costs and consequences of non-compliance with key legal obligations and requirements affecting wholesale transactions
 - recording, storing and transferring information
- researching, planning, analysing and organising information
- interpersonal communication skills to:
 - inform staff of risks associated with recalled products through clear and direct communication
 - share information
 - use language and concepts appropriate to cultural differences
 - use and interpret non-verbal communication
- application of relevant legal principles
- risk management.

The following knowledge must be assessed as part of this unit:

- remedies available for breach of contract
- principles relating to intellectual property
- understanding of the business context (national and international) in which the legal, insurance, rights and contractual sources of information apply
- reporting requirements
- contract validation
- product and service warranties
- information sources on product and supply arrangements for customers
- business policy and procedures affecting job role or function
- OHS aspects of job
- relevant domestic and international law, conventions, agreements and legislation.

Evidence Guide

EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, the range statement and the Assessment Guidelines for this Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- satisfactory and timely completion of tasks associated with management of a business operation in compliance with legal and legislative requirements
- utilises relevant legal and statutory rights to protect the business brand and intellectual property
- implements and documents product recall procedures for a business operation
- describes and complies with legal rules relating to transfer of risk and legal obligations affecting a specific range of business operations, including import and export operations
- establishes and implements appropriate reporting procedures and record-keeping systems for a business operation
- processes documentation relating to business and legal compliance within a set timeframe.

Context of and specific resources for assessment

Assessment must ensure access to:

- relevant documentation, such as:
 - relevant legislation and statutory requirements
 - information on the internal and external operating environment
 - business policy and procedures manuals
- information on:
 - business operations
 - markets
 - competitors
 - products and services
 - suppliers.

EVIDENCE GUIDE

Methods of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- observation of performance in the workplace
- third-party reports from a supervisor
- review of portfolios of evidence
- written or verbal questioning to assess knowledge and understanding.

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

EVIDENCE GUIDE

Assessing employability skills

Employability skills are integral to effective performance in the workplace and are broadly consistent across industry sectors. How these skills are applied varies between occupations and qualifications due to the different work functions and contexts. Employability skills embedded in this unit should be assessed holistically in the context of the job role and with other relevant units that make up the skill set or qualification.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. ***Bold italicised*** wording in the performance criteria is detailed below.

Legal systems may include:

- OHS
- workplace relations
- industry codes of practice
- licence, patent or copyright arrangements
- transport, storage and handling of goods
- contract law
- Australian Competition and Consumer Commission provisions
- Trade Practices and Fair Trading Acts.

RANGE STATEMENT

Different forms of contract may include or relate to:

- letters of appointment or intent
- external contracts
- trade partners
- people contracts
- verbal and written orders
- purchase order
- petty cash
- memorandums of understanding or memorandums of agreement
- in-house service level agreements
- contracts
- common-use arrangements or standing offers
- contracts as detailed under the Trade Practices Act
- non-compliance
- consequences.

Financial transactions may include:

- deposits
- withdrawals
- credit card transactions
- cheques
- hire-purchase
- cash on delivery (COD)
- customer refunds
- customer account management.

Legal requirements for the sale of products and services may include:

- Trade Practices and Fair Trading Acts
- tobacco laws
- liquor laws
- pricing procedures, including GST requirements
- sale of second-hand goods
- sale of X and R rated products
- lottery legislation
- industry codes of practice
- OHS.

RANGE STATEMENT

Product recall procedures and guidelines may be developed in consideration of:

- timing
- warnings
- insurance issues
- consultation with key stakeholders
- organising logistics
- reporting compliance
- claim procedures on recalled products
- legal requirements
- approvals obtained
- impact on business relationships and contractual arrangements.

Recall procedures and guidelines may be:

- documented in hard copy or electronic manuals
- implemented at business, team or operational levels
- product- or service-specific
- customer-specific
- territory- or location-specific.

Relevant personnel may include:

- internal or external contacts
- employees
- supervisors
- relevant managers.

Staff may include:

- full-time, part-time, casual or contract staff
- people with varying degrees of language and literacy
- people from a range of cultural, social and ethnic backgrounds
- people with a range of responsibilities and job descriptions.

RANGE STATEMENT

Principles related to ***intellectual property*** may vary according to:

- nature of the product or service
- nature of product or service delivery
- scope of protection sought
- the ability to show 'ownership'
- location (e.g. international variations in legal protection)
- legal and legislative provisions.

International legal requirements may include:

- international legal frameworks
- sale of goods and services
- legal aspects of international financial transactions
- law of contract
- product liability
- transport law
- customs law
- licensing agreements
- agency agreements
- business names and structures
- joint venture agreements
- ownership issues
- passing of risk and title
- warranties
- insurance
- dealing with intellectual property
- e-commerce
- remedies and enforcement.

Unit Sector(s)

Sector

Cross-Sector

Competency field

Competency field

Governance and Legal Compliance

