

Batterham v QSR Limited (2006) 225 CLR 237

<https://lawcasesummaries.com/knowledge-base/batterham-v-qsr-limited-2006-hca-23/>

Facts

- Batterham was a director and promoter of QSR Ltd.
- In 1999, QSR Ltd attempted to raise capital through the sale of shares, to purchase a KFC restaurant
- Batterham was given options to acquire shares in the company if the company achieved an 18% financial target each year for 3 years. This was recorded in a deed.
- QSR achieved this for 2/3 years, and overall, however in 2002 it failed to meet the 18% threshold and only got to 16.2%.
- Batterham appealed to the *Industrial Relations Commission* stating that the deed was unconscionable.
- QSR argued that the IRC did not have jurisdiction and applied for the case to be struck out.
- Peterson J refused the strike out application, stating that QSR had not established beyond doubt that the IRC did not have jurisdiction.
- QSR then appealed against this.
- Batterham argued that the relevant Act contained a clause which stated that a decision of the IRC could not be appealed against, and that therefore QSR could not call into question Peterson J's reasoning.

Issue

1. Did the IRC have jurisdiction?
2. Could the Court question the reasoning of Peterson J, in light of the statute?

Held

- In regards to (1) - To determine whether the IRC had jurisdiction, the Court held it needed to establish:
 - 1) did Batterham work in an industry, and
 - if so, 2) what instrument (contract, award, etc) governed his employment? They could only decide on that instrument.
- Batterham argued that the contract regarded his remuneration and therefore met the statutory phrase of "any contract whereby a person performs work".
- The Court disagreed, holding that the work under the deed was performed before the company was incorporated and was not a contract where a person performs work.
- In regards to (2) - the Court held that Peterson J had not made a decision as to whether it was within jurisdiction or not, just that it had not been shown it was unarguable that it was within jurisdiction.

- Therefore the appeal failed on both counts.
- Kirby J dissented.

Quotes

- "Peterson J did not decide that the proceedings were, or were not, within the Commission's jurisdiction. The only decision made was that the proceedings instituted in the Commission had not been shown to be unarguably beyond jurisdiction. There is a real and radical difference between deciding that a point is arguable and deciding the point." (Gleeson CJ, Gummow, Hayne, Callinan, Heydon, Crennan JJ at [28])

Full text

- Available here: <http://eresources.hcourt.gov.au/showCase/2006/HCA/23>

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