



Speech by

Mr DOUG SLACK

MEMBER FOR BURNETT

Hansard 27 August 1998

WORKPLACE RELATIONS AMENDMENT BILL

Mr SLACK (Burnett—NPA) (3.11 p.m.): With pleasure I join in this debate and support the Opposition's position in relation to opposing the Bill before the House. I would like to pick up on a couple of things that the previous speaker said. He referred to the member for Noosa and said that, as a Liberal, he therefore supports the people who drive around in LTDs. But let us be realistic about this. If he was relying on the people who drive around in LTDs, he would never have been elected.

I hope that everybody here supports the concept of aiming for a better society, a better quality of life, better wages and better profits. At the end of the day, we cannot have good wages without profits, and we cannot have people being employed without people making money. The reality of life is that no-one is going to employ somebody unless they see an opportunity to make a profit. If the Government wants to work towards its 5% unemployment target, it must ensure that people in business are confident enough to employ people and to see their way clear to making a profit.

There seems to be some misconception amongst Government members that the coalition Government's intention was to do away with unions; that it is in favour of big business and is anti-union and anti-workers. That is absolute rubbish, and Government members know it. In the last day and a half I have listened to rhetoric from members on both sides of the House in relation to this issue.

Mr Lucas: What about the rhetoric on your side?

Mr SLACK: The member for Sandgate spoke about the rhetoric that he had listened to from members on this side of the House. I have listened to similar rhetoric from members on his side of the House, claiming that this is all about union bashing. Let us be objective about Queensland workplace agreements. If an employer was able to gain a major advantage by being able to put workers in a position where they could be downtrodden and their quality of life would suffer, do members opposite really think that we would support that?

The reality is that our legislation contained checks and balances to ensure that the people who entered into these agreements were protected. That is why the Enterprise Commissioner was involved to oversee those agreements. But we allowed for some flexibility. If people wanted their unions or their solicitors involved in the negotiations between the employers and themselves, or even if they wanted to do it themselves, we allowed them to do so on the condition that they were not going to be worse off. We allowed some flexibility in relation to wages or overtime, because that is what those agreements were all about.

We live in a very competitive world. Not only do our products have to compete in Queensland and other parts of Australia; they have to compete in the world at large. If we are going to do that, we must be competitive with other nations in the marketplace. I do not know whether Government members have pagers, but I do. I switch it on each morning to get the latest news. The Australian dollar is worth US56.63c at this point in time—the lowest on record.

Mr Purcell interjected.

Mr SLACK: I thought that the member had more intelligence than to say that that is a result of the Howard Government. The reality is that it is because of what is happening in the world today. It is in response to what has happened in Russia. It is in response to the outlook for commodity prices. It is in

response to Australia's competitiveness in the international marketplace. It is the world's judgment on how it sees the Australian economy performing.

Mr DEPUTY SPEAKER (Mr D'Arcy): Order! If the member addressed the Chair there would be fewer interjections.

Mr SLACK: Thank you for your protection, Mr Deputy Speaker. I know that you would understand what I am talking about, having been a person who has operated in the international marketplace.

This pager tells me what is happening in the world. We have to be flexible in our approach, because there are changing conditions out there. One of the reasons we introduced Queensland workplace agreements was to accommodate changing conditions in the world, but with the necessary checks and balances to ensure that the workers were protected and to ensure that our society could maintain the standard of living that we are used to and to improve on that standard of living—not just for employers but for employees as well.

Mr Mickel: Why doesn't the National Party accept National Competition Policy?

Mr SLACK: Could the honourable member either interject from his correct seat or listen rather than showing his ignorance of the Standing Orders of the Parliament?

Mr Hegarty: He doesn't know where he should sit.

Mr SLACK: How on earth can he hope to be in a position to run this State if he does not even know where his seat is?

As a former Trade Minister, I had the opportunity to travel overseas. That was supported by the now Premier during the very short time that the coalition was in Government. During that period, I learnt to appreciate very much the necessity for Australia and Queensland to be flexible and to meet market conditions. In order to meet market conditions, we have to be able to export. Queensland has a population of 3.4 million people. Members on both sides of the House acknowledge that we must have productivity. We have to produce consistently a quality article, and the only way to do that is to have some flexibility and choice in the system.

I have had the experience of seeing what flexibility has been able to allow. For instance, Evans Deakin Industries or Walkers Limited in Maryborough have been very successful in the export field. Walkers have made light trains for Malaysia. One of the reasons those companies have been successful in the export arena is that they have a very good, close working relationship with their employees, based on a no-strike agreement in relation to exports.

Mr Lucas: Reached with whom?

Mr SLACK: With the employees.

Mr Lucas: And the union?

Mr SLACK: The unions may be involved.

Mr Lucas: No QWAs?

Mr SLACK: Queensland workplace agreements allow for that type of flexibility to be arrived at. It is all about maximising the opportunities in the export market.

Members can say all they like in this House or outside about One Nation. Regrettably, Australia is a nation that is known for its industrial disputation. I do not believe that is fair, particularly when one considers what has happened in recent years. That is a misconception, but it is a big issue. When one goes to Japan or Korea, it is not so much Pauline Hanson that they talk about. People in Hong Kong said to me, "You come from Queensland. You come from Australia. What are they doing down there? All striking but the matches!" I was horrified. Coal owners in Japan have said to me, "Yes, the price of our coal is okay. The quality of our coal is very good." But they are reluctant to commit, because they are worried about Australia's capacity to deliver on a consistent basis.

A Government member interjected.

Mr SLACK: It is a fact of life. It is not rubbish. I am repeating what I have learnt from the experiences that I have had when talking to people overseas who do business with us.

A Government member interjected.

Mr SLACK: Certainly it is a major factor that has to be taken into consideration. That is why we have to be flexible in this marketplace.

Australians feel very proud that we have been doing well in the export field. However, although our exports have been going up quite significantly, in comparison with the rest of the world in those marketplaces, the percentage of our exports has not been going up. Regrettably, it has been decreasing. Nations that are competitive have learned that increased national productivity is the key.

Supplying a cost-efficient quality product is the only way to meet world demand. As to our recent record of sustained high national productivity, I refer to the Federal Productivity Commission, which points out that productivity is not everything, but in the long run it is almost everything. A country's ability to improve its standard of living over time depends almost entirely on its ability to raise its output per worker. World War II veterans came home to an economy that doubled its productivity over the next 25 years. As a result, they found themselves achieving living standards their parents had never even imagined. Vietnam veterans came home to an economy that raised its productivity less than 10% in 15 years. As a result, they found themselves living no better, and in many cases worse than their parents. Over the past 25 years, Australia's productivity performance has been significantly below that of the rest of the OECD nations. Those are the conditions that members opposite want to return to.

An examination by the Senate Committee on Rural and Regional Affairs is also very telling. The committee's report compares the costs of producing chicken meat in Australia compared with the USA and Thailand. I point out that both those countries have applied to import chicken meat into Australia. One may think that those countries would not be in the race. However, honourable members should consider the findings of the investigation. The USA can do it cheaper. Their subsidising of grain feed results in Australian feed prices being 50% higher. Honourable members should listen to the whole story. Cheaper labour is a big factor. The USA allows guest workers, usually Mexicans, and has far less regulation of wage rates. The results are that processing and labour costs in Australia are some three times more expensive than the USA. The net result is that the Australian overall production costs are some two and a half times those of the USA.

For Thailand's chicken meat producers, grain costs are higher, but the plant processing costs are even lower and are thus comparable in production costs to the USA.

Mr Lucas: Are you saying we should reduce our wages costs?

Mr SLACK: I am not suggesting that we go to that situation. What we are suggesting—and what we put into practice and into law when we were in Government—are Queensland work agreements. They provide flexibility with checks and balances. They will assist us to meet the challenges posed by the conditions of our overseas competitors in the marketplaces that we have to export to if we are to have jobs. It is irrelevant and ridiculous for the Premier to come in here and say that Queensland will have 5% unemployment if he is not prepared to have flexibility in the wage rates to allow that to happen. Australia is competing in a big wide world. Members opposite can blame Hanson or whatever circumstances they like; however, we are competing in a big wide world and the bottom line is the production cost of a particular article and the cost of that article to the people who are to buy it. Unless the price is competitive, they will not buy it.

It worries me considerably that middlemen take their percentages and build on a percentage of what producers get and build on what the workers get. That needs to be addressed. I am worried for our future in those environments. We also have to be realists and realise that, although we can address that issue, we also need to have the flexibility within our work force to compete. That is not to be to the disadvantage of the work force; that is to be to their advantage. Unless members opposite are prepared to operate in the 21st century and meet those conditions, they have no hope whatsoever of meeting the 5% unemployment level. That is reality. They can rise in this House and sprout rhetoric in support of their union mates and the monopolistic position of the unions. That is what Labor wants.

I am a farmer. I belong to a farming organisation, but that is by choice. I do not have to. That is what QWAs are about: choice. The people who are in Queensland work agreements to whom members opposite were referring can join a union; that is their choice.

Mr Purcell: What about the sugar growers?

Mr SLACK: The sugar growers can petition—

Mr Purcell interjected.

Mr SLACK: The member is not listening.

The sugar growers, the dairy farmers and the fishermen can petition the Minister and by statute can have the statutory organisation disbanded if they wish. That is their choice.

Mr Schwarten: It is not really.

Mr SLACK: Yes, it is; it is their choice.

Mr Schwarten interjected.

Mr SLACK: No. Peanut growers in my electorate are legitimately growing peanuts even though they do not belong to the Peanut Board. It is not the closed shop in the form that members opposite want it to be a closed shop. By choice, sugar growers have a marketing situation that they strongly defend. That position gives them some strength in the international marketplace.

Today and yesterday we have listened to a long tirade of rhetoric. Members opposite have tunnel vision in relation to what the unions have to offer and what the unions are all about. In their view,

the unions are the be-all and end-all. However, when one considers the often-quoted figures that the Minister trotted out yesterday, which state that, under QWAs, so many people have not received wage increases and so many people have not received overtime, etc., one realises that those figures are only part of a package. One figure cannot be isolated from another figure. One must consider the total concept of what is being achieved. To try to say that 17 months is a fair test period is absolutely ridiculous. One must bear in mind that the former Government operated in a hung Parliament. There was no certainty in the context in which those agreements were entered into. During the election campaign, Labor was promising to do away with those agreements. At the end of the day, it was an unsure situation for industry. In those circumstances, QWAs were not given a fair trial to work.

Australia and Queensland want to make an impression and want to sell our goods and services in the world marketplace. We will need to do that if Labor is to reach its 5% unemployment target. We cannot do that without some deregulation in the marketplace and the work force. Labor wants deregulation everywhere else, but not in this particular area, because that is its support base. That is fair enough, but we are here to be realistic and objective about the matter. If we are to be objective, we have to allow for the flexibility that Queensland workplace agreements—with their checks and balances—provide. If they did not have the checks and balances in them, I would agree with the members opposite. However, a lot of thought and a lot of consultation went into the legislation that the Minister at the time introduced into the House. As Government members well know, the sole objective of introducing that legislation was to allow for productivity, to allow for flexibility and to allow for choice without a disadvantage to the workers or a disadvantage to the Queensland economy but in the interests of the Queensland economy.

To try to say for one minute that the Opposition are just for the bosses or for the elite is just plain ridiculous. The Act offered a balanced situation.

Mr Lucas interjected.

Mr SLACK: I will finish on this note. If the honourable member for Lytton attended the export awards, which are held every year, he would know that every time somebody accepts an award, that person says that he or she has done well because of the close cooperation between the staff and that person and that they have acted as a family. Those people have been able to achieve things through flexibility in industrial relations without the rigidity and without the regulations about which the members opposite are talking and to which they want to return.
