Speech by

HOWARD HOBBS

MEMBER FOR WARREGO

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WORKPLACE RELATIONS AMENDMENT BILL

Mr HOBBS (Warrego—NPA) (4.53 p.m.): Labor's Workplace Relations Amendment Bill will turn back the clock on industrial relations in Queensland for no valid reason. Through this legislation, Labor will stifle employment and simply look after its Labor mates in the union movement. This Bill will do away with the 20 allowable matters that simplified the award system for employers and local government in Queensland. This Bill will seriously reduce the flexibility of the industrial relations system with the abolition of Queensland workplace agreements and will ensure the entrenchment of the inefficiencies of the award system. It simply makes the IR system more complex.

Most importantly, the Government is doing away with the 20 allowable matters and the introduction of the Queensland workplace agreements, which was a win/win situation for both employees and employers. Even the Queensland Chamber of Commerce in an article in today's Courier-Mail agrees that employees could not lose under Queensland workplace agreements. The Queensland Chamber of Commerce stated in that article that—

> "... QWAs were not approved by the Queensland Industrial Relations Commission if the worker would end up being worse off than if covered by an award."

This begs the question as to why the Government wishes to make the foreshadowed changes contained in the Workplace Relations Amendment Bill. The fact is that the system is working and working well and keeping Queensland competitive. So why change it? There is an old saying, "If it ain't broke, don't fix it." Who is really going to gain from changing a win/win situation? I would suggest the union movement.

The Government's proposed changes in this Bill are totally frustrating to local government in that award simplification has already been undertaken in the Federal arena and local government is now in a situation in which the very provisions that would allow the reforms to be completed have been removed. So where are we now? The 20 allowable matters operate as a true minimum safety net covering 20 core entitlements rather than a comprehensive document prescribing all aspects of job regulation. These are entitlements such as long service leave; annual leave and leave loadings; occupational superannuation; wage rates; personal and carer's leave, including sick leave, parental leave and adoption leave; compensation for public holidays; allowances; redundancy pay; and wages and conditions for outworkers.

The Government's Bill will turn back the clock. Every employer will now have to refer to every award condition that relates to the employment of staff in the relevant industry. This Bill would ensure that new and existing awards cover all relevant industrial matters. This will increase the complexity of the IR system and discourage employers from creating more jobs. The Workplace Relations Amendment Bill will throw out the 20 allowable matters that are a true minimum safety net of entitlements. Complicating the IR system by allowing all new and existing awards to cover all relevant industrial matters and not be restricted to the 20 allowable matters will do nothing to encourage investment, new industry or jobs.

QWAs could be negotiated by employers and individual employees who could each choose to be represented by a bargaining agent. They may appoint a union representative, an agent, an adviser, a committee of employees, or do the negotiating themselves. These choices offered a more user-friendly system of workplace bargaining, backed by a fair and flexible no disadvantage test. The no

disadvantage test ensured that employees under agreements were not disadvantaged in comparison with their award conditions overall while providing mutually beneficial working arrangements. The Government's Bill ensures that these choices will no longer be available to employers or employees.

No abuse of employees occurred under QWAs because the system was working. It was working because the no disadvantage test was working. As of 4 May, 23 QWAs had been refused by the Enterprise Commissioner and at that point a further 21 QWAs had been withdrawn. The Enterprise Commissioner was applying the no disadvantage test as the Enterprise Commissioner is obliged to do. Employees were not being disadvantaged.

A significant employer throughout rural and regional Queensland is local government, which is under increasing pressure from the community to be efficient in its service provision for the community. One of the strategies used by local government to adapt and respond to the pressures was that of embracing a decentralised industrial relations system. Importantly, local government already utilises certified agreements and more than 100 of the 125 local governments in Queensland currently use these agreements for their employees. Local governments across Queensland have been pursuing the additional flexibility afforded by QWAs. They recognise the need for reform and the need to enhance efficiency.

Although the previous coalition Government did not finalise the amendments for local government to access Queensland workplace agreements, it was most definitely on the agenda and would have happened sooner rather than later. The fact that award simplification did not occur as intended by the previous coalition Government is the result of bloody-minded opposition by the union movement, which was intent on protecting its own legislatively entrenched, protected and privileged position.

It is necessary for councils to have flexibility in the development of appropriate conditions of employment for all of their employees. They, along with other employers in Queensland, do not wish to entertain inefficient industrial relations practices. Like other employers, councils have welcomed the opportunity to participate in a simplified industrial relations climate. As a result of the Government's Bill, they will be totally denied access to QWAs by the removal of provisions regarding the making, approving, amending and extending of QWAs. Councils were looking forward to utilising QWAs, and the concept was well supported by councils across the State. QWAs provide flexibility and a choice in agreement making options, and they ensured that employees could not lose.

The Government is critical of the numbers of QWAs that have been initiated by employers and employees. Over 1,500 have been entered into. This criticism flies in the face of the overwhelming interest expressed in QWAs by the Queensland Chamber of Commerce and Industry. This week the Courier-Mail reported the chamber's workplace relations manager, Judith Himstedt, as saying that the number of workplace agreements registered is not truly reflective of the level of industry interest in them. The Courier-Mail reports that the overwhelming interest on the part of chamber members relates to flexibility in working hours.

Local governments need to ensure that there is maximum flexibility available to them in the development of appropriate conditions of employment for their employees. There is no doubt that there is strong support for councils to have access to QWAs, because the flexibility enables them to develop appropriate conditions of employment for employees. Councils will be further disadvantaged in that they will not be totally denied the opportunity to access QWAs. There is a strong view amongst councils that industry will benefit from the use of QWAs and that those benefits will accrue to both councils and their employees.

These amendments will effectively shackle growth in Queensland. Rural and regional communities will bear the brunt of these amendments. Local government will not be able to compete on equal terms for work programs. Local government is often the major employer in smaller communities. If the industrial relations system is inefficient, then it stands to reason that local government as employers will suffer and that jobs will be lost in critical areas of the State. The flow-on effects to rural communities cannot be underestimated. These communities cannot afford to lose jobs. Jobs are the backbone of the local economy.

There is no doubt that these amendments will take away workers' freedom of choice, flexibility in the workplace, freedom of association and enterprise focus. The flexibility achieved through QWAs is virtually impossible to incorporate within the award structure. Local government has supported maximum flexibility in the industrial relations system. QWAs represent a win/win situation for employers and employees. Why does the Government want to do away with a winner for the community? The reason is that it is a payback for union mates. There is no other reason; it is obviously a payback. Local government has been competitive with the private sector, especially in areas such as road reform and the National Competition Policy.

There is no doubt that these amendments will encourage jurisdiction hopping to Federal awards and therefore make industrial relations more expensive and bureaucratic. The unthinkable could

happen. Victoria has few State awards and operates on Federal awards. Because they are working with a simplified industrial relations system and are therefore more efficient, Victorian companies could undercut Queensland companies. Queensland would be the loser and jobs would be lost. It is obvious that business will not invest in Queensland if it finds a more conducive and simple industrial relations climate in other States. I oppose the Bill.