Speech by

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MEMBER FOR MOUNT OMMANEY

Hansard 26 August 1998

WORKPLACE RELATIONS AMENDMENT BILL

Mrs ATTWOOD (Mount Ommaney—ALP) (5.31 p.m.): This Government is strongly opposed to the QWA system of individual agreements that are kept secret and protected from any public scrutiny of their advantages or disadvantages. Much has been said in the past by the coalition about the role of QWAs in advancing the cause of needed workplace reform. It is the position of this Government that real and genuine workplace reform can be achieved only through collective agreement making. This position is borne out by comparing the reforms achieved by QWA— individual—agreements with those that have resulted from certified—collective— agreements.

Clearly, the system of QWAs has failed to deliver any significant workplace reform. The Honourable Minister for Employment, Training and Industrial Relations has lifted the veil of secrecy surrounding QWAs in his department's "Report on the effect of the introduction of Queensland workplace agreements". Now we can see that QWAs have allowed employers to exploit the workers of this State but have done very little to create flexibility for employees.

Since March 1997, when QWAs were first made available under the Workplace Relations Act, there have been only 1,516 QWAs approved and these are spread across only 245 separate employers. To put the number of employees under QWAs in context, this represents a mere 0.2% of Queensland workers subject to State awards and agreements. At the same time, collective certified agreements cover 46.8% of Queensland workers. The former Government can surely not pretend to be satisfied with the rate of uptake of individual agreements that it introduced as such a prominent part of its industrial relations policy.

Let us consider what has been achieved by these QWAs. Firstly, in the area of wage increases, the average wage increase in QWAs was only 2.6% while the average increase in certified agreements for the corresponding period was 4.1%. In addition to this, 57.8% of QWAs gave employees no wage increase. This is especially significant given that employees subject to a QWA containing a wage clause are effectively cut off from wage increases in the relevant award for the life of the agreement. Given that QWAs can operate for a period of three years, there is a great potential for QWA employees to fall far behind their fellow workers under certified agreements or awards.

A further investigation of employee entitlements under QWAs shows some substantial erosion of basic benefits that should be the right of all employees. For example, 38.7% of QWAs increased the ordinary hours of work; 53% of QWAs increased the span of hours within which ordinary work can be performed; 69.4% of QWAs decreased or removed altogether penalty rates entitlements; 42.5% of QWAs removed overtime entitlements; 31.3% of QWAs removed allowances; 17.9% of QWAs removed annual leave entitlements with a further 12.7% removing annual leave loading; and 19.4% of QWAs decreased or removed altogether sick leave entitlements.

As for QWA clauses facilitating improvements in the workplace—an integral part of the QWA process, we were told by the former Government—there is very little to be found in the QWAs approved to date. By contrast, only 2% of the certified agreements made since the implementation of the Workplace Relations Act contained clauses related to increased hours of work. However, a large number of these certified agreements contain clauses relating to staff training, occupational health and safety, productivity improvements, multiskilling of employees or career paths. Let us not forget that the types of innovations that we are talking about have led to State certified agreements being taken up in

great numbers by employers and employees. We currently have more than 346,000 employees in Queensland subject to State certified agreements.

Another interesting aspect of the introduction of QWAs has been the rate with which they have been taken up in particular industries. In the child-care industry we find 16.5% of all QWAs approved. These QWAs all appear to be pro forma documents supplied by employer associations. The effect of these agreements appears to be twofold. The first is altering the definition of a casual so that they can work the same number of hours as a permanent employee. There can be little doubt that this would lead to increased casualisation and therefore the loss of paid leave and other entitlements for a relatively low paid and predominantly female group of workers. The other effect of these agreements is deferred—presumably indefinitely—meal breaks. This must lead to grave concerns for the health and safety of workers and for the children under their care.

These QWAs do not increase wages and, although they pass the no disadvantage test—the benchmark against which all QWAs are tested—on a financial basis, they potentially socially disadvantage the workforce in that industry.

Similarly, the real estate industry makes up for 23.1% of all QWAs approved. Again with these QWAs we have a pro forma document used by a large number of employers in a particular industry. The effect of many of these QWAs is simply to formalise commission-only payments to salespersons. It is interesting to note that the filing of these QWAs coincided quite closely with the introduction into the industry of a State award in an area that had formerly been award-free.

It would seem that in these two industries QWAs have been used as a convenient method to introduce industry-wide practices that organisations have been unable to successfully include in awards. At the same time, the introduction of these QWAs through an obvious pro forma system does nothing to support the former Government's protestations that QWAs were about escaping the one-size-fits-all approach of industry awards. Neither does this approach indicate any of the mutually beneficial workplace flexibilities that we were told would accrue from QWAs.

I would like to speak about some individual QWAs and ask this House to consider whether their effect could ever result in no disadvantage to an employee. In one QWA we have a receptionist being entitled to an unpaid 30-minute break in a six-hour shift but the employee must stay on duty during the break, although permitted to eat at the desk. How could such a Clayton's break be of any benefit to an employer or an employee?

Mr Fenlon: Did they have a chain attached to their leg?

Mrs ATTWOOD: Almost. On the one hand we have employees chained to their work stations, no doubt dealing with clients during time for which they are not being paid. For the employer, certainly some benefits accrue from any extra 30 minutes' work for which they do not pay the employee, but what image is created for a business whose clients are greeted in person or over the phone by a receptionist who is munching on a sandwich?

In another QWA we see the issue of casual employment dealt with by the employer giving the employee the ability to work up to 38 hours. I am sure that the employer has been very kind in allowing an employee to work extra hours, but where is the benefit to the employee who remains a casual, working full-time weekly hours, without accruing the benefits that go with full-time employment, such as paid annual leave, sick leave and public holidays?

On the subject of public holidays—several QWAs have introduced clauses that allow employees to be worked on public holidays without payment of penalty rates that accrue for work on that day. Instead, the employee is permitted to take time off in lieu. This might sound fine until we remember that, in awards, time worked on a public holiday is paid for at double time and a half. Therefore, eight hours' work on a public holiday should receive 20 hours' pay. It is quite absurd to pretend that that employee is no worse off when he or she has traded away 12 hours' pay against eight hours off.

In my last example we see a QWA that introduces an ordinary working week of 60 hours. On top of all this, no overtime is payable until a further 10 hours are worked. That makes a total of 70 hours worked before any overtime is paid. Granted that there may be an increased wage received in this instance, it would still need to pass the no disadvantage test. But where is the quality of life for a worker who is condemned to work those hours each week?

It is not for nothing that industrial relations legislation in Queensland has not for many years guaranteed a 40-hour ordinary time working week for all award workers. That is until the former Government introduced the Workplace Relations Act, which was to repeal such provisions from September this year. We see now the encouragement that is given to squeeze every ounce from an employee in increasing his or her ordinary hours by up to 50%, with still another 10 hours beyond that before any overtime rates are paid.

To sum up, the system of QWAs as introduced by the former Government has done nothing to improve the system of industrial relations in this State. I refer again to the report I mentioned earlier,

prepared by the Department of Employment, Training and Industrial Relations, and, in particular, the conclusions contained therein. There has been no significant or widespread uptake of QWAs since their introduction. To their credit, most employers in this State can see that there is nothing to be gained by singling out for change the conditions of an individual employee. QWAs have offered no compelling benefits for the workers covered by them, but they have tended to concentrate on tinkering with long-established award entitlements to give flexibility to the employer at the expense of the employee. There have been no significant improvements in conditions of employment for QWA workers. This contrasts markedly with the reform measures and innovations to improve productivity and employer/employee relations that have been introduced through the system of certified agreements negotiated with employees on a collective basis. In some industries there is little doubt that QWAs have been used to circumvent the award process—to introduce practices industry-wide that would not otherwise be acceptable between employers and employees. This is clearly an abuse of a system that was introduced to allow true negotiation between individuals and to achieve mutual benefits.

QWAs have failed to deliver on the purposes for which we were told they were introduced. They fail to recognise the imbalance of bargaining power between an employer and an individual employee. We all accept the need for workplace reform, but this Government believes that it can be best progressed through bargaining collectively rather than individually.