Speech by

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MEMBER FOR ARCHERFIELD

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WORKPLACE RELATIONS AMENDMENT BILL

Ms STRUTHERS (Archerfield—ALP) (4.05 p.m.): As a proud unionist and Labor Party member, it gives me great pleasure to speak to the Workplace Relations Amendment Bill 1998. The Bill before the House today represents the first step towards the re-establishment of a just and practical industrial relations system for Queensland. This Bill begins the process of rectifying the inequities, imbalance and unfair industrial arrangements created via the use of legislation introduced by the coalition Government.

Severe inequities, imbalance and unfair industrial arrangements have been generated from provisions in the Act. For example, it allowed the introduction of secretive individual employment contracts called Queensland workplace agreements—QWAs; the stripping back of award conditions; and the removal of protection for employees in terms of an unfettered right to union representation. Members opposite lauded the introduction of provisions that enabled the secret arrangements that undermined the awards system and impacted negatively on Queensland workers and their families. A central tenet of the Workplace Relations Act 1997 was access to clandestine arrangements—QWAs—which enabled employers to coerce individual workers to sign away their hard-won working conditions for a petty rise in pay or changes to other working conditions.

The Workplace Relations Act 1997 was introduced to mirror foolishly and blindly the Federal legislation that was adopted without regard to Queensland's unique industrial, economic and social climate. My honourable colleague the member for Clayfield promised us that his legislation would provide flexibility for businesses to operate in an innovative and efficient manner whilst ensuring that employees had safe, satisfying and fair workplaces. I challenge the honourable member to deny that the effect of his legislation was exactly the opposite. I challenge the honourable member to deny that the unwieldy and covert system of secret individual employment agreements introduced by that legislation did very little for businesses except create insecurity, uncertainty and unease.

We were told that these changes would deliver to employers everything that they needed to operate better, more cost-effective businesses. And did it? No, it did not! In all the time that this legislation has been in effect there has been an extremely limited take-up of QWAs. The coalition promised so much and delivered so little. The Honourable Santo Santoro claimed that the coalition's industrial relations system would encourage more harmonious relationships between employers and employees. How can shifting the balance of power further towards employers create more harmonious working relationships?

Indeed, the coalition Government went even further than the legislation adopted by its Federal counterparts. It enabled employers who employ fewer than 15 persons to dismiss any employee for any reason in the first 12 months of their employment. So much for their claims of job security and the consequent ability of employees to plan their lives. How could one contemplate borrowing money to buy a house if one was in danger of being dismissed for no given reason within the first 12 months of one's employment? An unscrupulous employer could easily dismiss employees before their first anniversary if that employer did not want an ongoing employee accruing long service leave and other entitlements or if the employer wanted to maintain a junior work force.

I suggest that a reason for introducing these laws was that they would reduce the number of applications to the Queensland Industrial Relations Commission for reinstatement in employment due

to unfair dismissal. In fact, during the first 12 months of operation, unfair dismissal claims in the commission increased 6% to 1,960 claims filed.

In a continuing attack on employees' entitlements, the coalition's workplace relations legislation sought to reduce protection of the working conditions of Queensland employees, who in some instances were very vulnerable. The secretive nature of the QWA approval process and the flimsy no disadvantage test that they were subjected to should be an embarrassment to the coalition. It should be ashamed that it allowed Queensland workers to be treated in such a callous and uncaring manner.

The conditions of low-paid workers in Queensland—the battlers—were further attacked by the legislation by allowing the stripping back of awards to only 20 allowable matters. The current legislation provides for an interim 18-month period during which awards are to be stripped back to 20 allowable matters. This 18-month period expires on 26 September this year. After this time, any award provision that is not "allowable" will cease to have effect. This will impact considerably on the ability of the award system to protect employee entitlements in relation to wages and conditions. If award stripping were to proceed, employers would not have to consult with employees on the introduction of workplace changes that may affect their jobs. Employees would not have to be notified of possible future terminations; they would simply receive a pink slip in their pay packet one Friday afternoon. That is disgraceful.

This Government is committed to positive changes to the industrial relations system to ensure a proper balance between the achievement of fair outcomes for workers and the improvement in productivity of Queensland workplaces and industries. This Government recognises the fundamental right of all workers to have their wages and conditions of employment protected by a relevant, contemporary award system. The Government will ensure that the award system is not limited in its capacity to deal with the real issues that affect Queensland employers and employees. This Government does not support a system of individual agreements. We endorse a cooperative and inclusive system of industrial relations, where trade unions are an integral part of a collective, fair and balanced system.

Prior to the election, Labor made a commitment to repeal the harshest aspects of the Workplace Relations Act 1997 enacted by the previous Government. This Bill begins this process. The process is continuing with a comprehensive review of the industrial relations legislation in Queensland being conducted by an independent, expert and representative task force. Members of the Industrial Relations Taskforce have been drawn from a pool of talented and accomplished industrial relations practitioners with a wealth of experience. Employer, union and independent experts will consult widely with industrial relations stakeholders in Queensland and provide advice on proposals for legislative reform.

The Industrial Relations Taskforce will review the function, role and structure of the Industrial Relations Commission, the Industrial Court, the registry and other related tribunals. Additionally, the review will consider the operation and regulation of industrial organisations and examine modern issues such as the growth in casual employment, which can have adverse effects on job security. The task force will examine options to—

establish a system that relies on negotiation rather than confrontation;

ensure that employers and workers have access to a responsive system that provides fair and equitable arrangements for the wages and conditions whilst balancing the needs of employers for flexibility and productivity; and, importantly,

strengthen and enhance jobs growth and security.

As part of this comprehensive review, opportunities will be provided for public submissions and input, with particular regard for the views of people from regional and rural areas throughout Queensland. Following this review, the Government will introduce new industrial relations legislation to Parliament.

It must be recognised that the Queensland Government will be consulting all interested parties about the new legislation, a process completely opposite to the coalition's approach of consulting very few of the stakeholders of Queensland industrial relations. The Workplace Relations Act 1997 was drafted in secret, behind closed doors and without the input of many of Queensland's talented industrial relations practitioners and experts or the Queensland community. Urgent action must be taken.

Consistent with this Government's policy, the Bill before the House today proposes to begin to repair the damage done by the Borbidge-led coalition. It will—

protect the wages and conditions of Queensland workers through a strong and relevant award system that is able to cover all relevant industrial matters, not just the 20 allowable matters in section 128;

remove provisions regarding the making, approving, amending and extending of any further QWAs, whilst providing transitional arrangements for the agreements and other related provisions;

provide that general conditions of employment, as prescribed by the Industrial Relations Act 1990, are maintained in awards and agreements; and

extend the operation of the Industrial Relations (Protection from Invalidities) Act 1991, pending the comprehensive review of the industrial relations system, and thereby ensuring maintenance of the status quo for registered employer and employee industrial organisations during the review period.

It is essential that the House repeal these most insidious sections that would see further degradation of employment conditions and the stripping back of awards to the coalition's contemptible 20 allowable matters. Other clauses that simply must be repealed to protect Queensland workers' conditions are those which would revoke certain general conditions of employment, including sick leave, annual leave, payment for annual leave, payment in lieu of annual leave, pro rata annual leave and hours of work. If those provisions are not repealed by 27 September this year, these general conditions will cease to apply to awards and certified agreements that do not already make provision for them, leading to a further loss of entitlements and conditions of employment for Queensland employees.

This Government is committed to the establishment of a modern and progressive system of industrial relations which encourages stability, economic growth and development for the Queensland economy. One of the harshest and most unfair aspects of the existing legislation is the provision for the making of QWAs. These individual agreements are secret and are not subject to public scrutiny. This means that QWAs are often made with employees who have little or no knowledge of what other employees who work alongside them are receiving. The secrecy of these agreements afforded by the Act ensures that there has been no public debate on the advantages or disadvantages of this form of contract. Why would a system predicated on harmonious relations between employers and employees—as the honourable member for Clayfield would have us believe—have to be kept secret?

QWAs have been a dismal failure since their introduction 17 months ago. There are currently 1,516 approved QWAs operating in the system, covering 245 individual employers. The number of QWAs approved over the past 17 months represents only 0.2% of the total number of workers covered by Queensland awards and agreements. This is a clear indication that both employers and employees were far happier to use the system as it was prior to the introduction of the Workplace Relations Act 1997. The focus of QWAs has been the repackaging of award entitlements, such as removal of overtime provisions, increasing hours of work, removal of allowances and removal or decreases to penalty rates rather than introducing genuinely innovative changes to the workplace.

Of particular note also is that 57.8% of QWAs gave employees no wage increase at all. Honourable members should note that these employees locked into a QWA wage rate would receive no award safety net adjustments which low-paid workers access via the award system. It is very clear that the continuation of this damaging industrial instrument would compound the low wages and exploitation of many Queensland workers hidden behind the secrecy of the current Act. It is patently obvious that QWAs have not worked for either employers or employees within Queensland. The repeal of QWAs from the legislation will remove these secret and inequitable industrial instruments which allowed inferior wages and conditions, particularly for the most vulnerable in the community.

This Government's clear preference is for employers and employees to achieve workplace efficiencies and flexibilities through a system of collective agreements open to the public scrutiny process. We must maintain an award system that has the capacity to cover all aspects of the employment relationship as well as being one of the primary vehicles for determining wages and conditions. It is therefore necessary to undertake immediate legislative action to halt the award stripping process which will otherwise occur if the present Act is not amended prior to 27 September 1998. The consequence of not amending these provisions immediately will be chaos and uncertainty, and ultimately the substantial reduction of the extent to which the award system provides for employee entitlements in relation to wages and conditions of employment.

The amending legislation before us will also maintain the operation of the Industrial Relations (Protection from Invalidities) Act 1991 until the review by the Industrial Relations Taskforce is completed. The Act enables the validation of some otherwise invalid actions of State-registered unions and employer organisations arising from joint operations with their counterpart Federal organisations. This Act is due to expire on 28 February 1999. Given the review of industrial relations legislation currently being undertaken, it is appropriate to extend the expiry date in order to allow full consideration of any recommendations arising from the review. At this point, only a few industrial organisations have been able to make appropriate arrangements and it is anticipated that the majority of industrial organisations will find it difficult to have made all the requisite modifications by 28 February 1999.

What fair-minded employers want is a simple regulatory system in which they know what their rights and responsibilities are to employees. Employees want a simple and just system in which they are treated fairly and not taken advantage of. The amendments sought in this Bill will restore some sense of balance to workers' rights and entitlements. We want to develop, together with the Queensland community, a forward looking system capable of meeting the needs of the Queensland labour force and industry now and into the 21st century.

Our Government's industrial system will be predicated on the understanding that a fair and just system recognises collectivism standing alongside the rights and liberties of individuals. This Bill represents an important step towards this goal. I commend it to the House.