



Speech by

Mr P. PURCELL

MEMBER FOR BULIMBA

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BUILDING AND CONSTRUCTION INDUSTRY (PORTABLE LONG SERVICE LEAVE) AMENDMENT BILL

Mr PURCELL (Bulimba—ALP) (3.30 p.m.): I rise to support the initiatives contained within the Building and Construction Industry (Portable Long Service Leave) Amendment Bill. I wish to comment on some remarks made by the previous speaker, the member for Clayfield. The previous speaker said that industry does not really support the initiatives taken by this Government with regard to the moneys being made available for training. To my knowledge there is only one association that does not agree.

I have been lobbied by the industry over a long period, including when the member for Clayfield was Minister. He will remember that I spoke to him about this matter. I will not canvass the discussions we had on this matter because they are confidential and I will not betray confidences, but I know from what he said that there is only one association in the building industry opposed to this at the moment, that is, the HIA. That is one association in an industry that would have around 22 or 28 associations representing various people. One association is opposed to it and its opposition at the moment is lukewarm at best. It is starting to bleed off. When this proposal starts to become a reality, the opposition really is not there at all.

The member for Clayfield also said that there was bipartisan support for portable long service leave when it was introduced into this House. I take that comment with a grain of salt to a certain extent because I was not a member of this place when that measure was introduced, but we certainly had the numbers here. We did not need the support of anybody else.

The construction and building workers in this State waited for 20 years on the coalition Government—particularly the Liberal Party, which made commitment after commitment to the trade union movement and to the workers of this State and then welched in the run home to the judge. As soon as it got into Parliament, it walked away from us and left us like a shag on a rock—for 20 bloody years!

Mr Santoro: Oh, come on.

Mr PURCELL: It's not "Come on" at all. Every State in the Commonwealth had it before Queensland did. That was through the efforts of the coalition Government and the HIA. The HIA was the only group opposed to it then, as it is opposed to this, so what credibility does it have? What does it care about workers and training? It wants low-skilled, low-paid workers in its part of the housing industry. It does not want people trained, because it will have to pay them more money! It just wants to put more money in its skyrocket. Any assertion that the HIA opposes this along with employers, if there are others, I take with a grain of salt.

For you to say in this place now that there is not a skill shortage indicates that you do not know this industry. Down my way they are paying \$100 an hour for a fully qualified boilermaker to do work—\$100 an hour! And we haven't got a skill shortage? You are living on another planet.

Madam DEPUTY SPEAKER (Dr Clark): Order! The member will remember to address his remarks through the Chair.

Mr PURCELL: He is living on another planet. The member should come out and talk to those who employ people and are looking for skilled workers at the moment. We are a net importer of skilled

labour when we should be an exporter. We are importing skilled people, because we do not have enough people here to do the work. I will give one bit of credit to the Opposition.

Mr Santoro: Give us the figures on skills shortages.

Mr PURCELL: I will. I have some figures. I will give them to the member. He will read them and weep. The previous Minister did make moneys available for training for the building and construction industry.

Mr Santoro: Lots of money. Come on, give credit.

Mr PURCELL: I just said that the member did make moneys available. I can assure him that the trade unions made money available also. They gave their share. The group that fell down the most was the employers. It has been pretty tough for them. I am talking now particularly about the training centre at Rocklea. It has not put up its share, but I am sure that it will when the industry turns. It will put up its hand and make good. I assure the House that trade unions have certainly done their part with regard to putting money into training in this State.

Nobody trained builders labourers in this State until the builders labourers put their own training centre together. They have put up millions of dollars, along with the CFMEU, to train unskilled people for this industry. The reason we have millions of dollars worth of problems at the Gold Coast at the moment—there are concrete cancers and buildings falling to pieces—is that no training was done to create skilled labourers and so forth. Buildings are just falling to pieces. I suppose I should not complain, because it is making work for builders labourers, but it is costing owners millions of dollars.

It is no secret that the building and construction industry is currently experiencing a shortage of skilled labour and will continue to do so if measures are not taken to address the decline in apprentices entering the industry and to provide additional continuing training for those workers currently employed in the industry. Along with the industry, this Government is concerned at the sharp decline in training and at the high rates of withdrawal from apprentice training programs. Without improvements in training outcomes, industry will not be able to generate an adequate number of qualified tradespersons in the building and construction industry to ensure its future viability.

Over the period 1993 to 1996, the building and construction industry experienced a national decline in training efforts by employers of around 30%. Of particular alarm is that Queensland is disproportionately represented in this national decline, contributing over half, or 56%, of the decline. Employment of building and construction apprentices in Queensland is a major issue for this State.

Apprentices in the building and construction industry have been dropping out of training courses at an overall rate exceeding 40%. In addition, it is estimated that approximately 60% of the work force does not achieve any form of accredited training qualifications. I can say that the vast majority of form workers in this town when I came into this place—in excess of 80%—were builders labourers with nail bags on. They were not tradesmen or carpenters; they were builders labourers with nail bags on. Good on them. They got very proficient at putting up decks and they worked very hard. They went up onto the tradesmen's rate and we let them go out of the builders labourers union. They become skilled and proficient at doing something from repetition, not from any training or from efforts made by anyone else.

The Government is also mindful of the fact that Queensland needs to plan for the expected drain of skilled construction employees to interstate construction projects, particularly in the lead-up to the 2000 Olympic Games in Sydney. This is already happening. The skilled trainees, particularly in the high skilled areas, are bled off. That is why such a high premium is being paid for highly skilled boilermakers and so forth.

The industry requires plans to sustain itself, adjust for emerging technologies, meet its skilled trade shortages and build its viability. Yet until now, it has not been doing this. Notably critical in this State are the trades of painting, plastering and bricklaying—trade shortage areas that are currently impacting on the profitability of Queensland projects and thereby the viability of businesses and the Queensland economy and our community.

The Government's strategies are designed to arrest the unacceptably high levels of attrition from training and the low take-up rate of apprentice training. To this end, our commitment is to offer the industry support through the creation of incentives and initiatives that will replenish this vital work force. In response to these issues, the Government has moved quickly since taking office to work in close cooperation with industry to revitalise training and to start to correct the skills shortage situation before there is further and possibly irreparable damage. It is vitally important that an industry training fund is established—a fund that will inject on average \$5.4m per annum into training incentives and initiatives for the building and construction industry. Through this initiative the Government is creating new opportunities to train and incentives to continue to train, and giving a conviction to this industry that it can invest from its own resources into its own future.

The establishment of the training fund is but one of a raft of initiatives which Government, in consultation and cooperation with the industry, is assisting to intervene in these trends. In addition to the creation of a training fund, which is expected to boost training by up to 3,000 apprentices over three years by supporting employers to take up additional training effort, the Government is also committed to enforcing the 10% policy for all Government construction projects. This policy will require that 10% of all employable hours for capital works projects, including contracted housing work, will be undertaken by apprentices and trainees. This is expected to result in an estimated 900 additional apprenticeships over three years.

In addition, the Government has set a target to employ 6,500 additional apprentices and trainees in public sector agencies, including local government. It is expected that, of these, approximately 500 will be apprentices and up to 90 would be employed in the building and construction industry. A further initiative of Government will see an additional 600 apprentices employed over a period of four years in housing projects under the Housing Industry Trade Training Program administered through the Department of Housing. So it is fair to say that this Government is acting quickly and putting its commitments to jobs and training up front to assist in revitalising training and employment opportunities in the building and construction industry.

Another positive initiative that emerges from these initiatives to assist the building and construction industry is the improvements that will result from workplace health and safety in the industry. It was the previous coalition Government which moved the collection of the workplace health and safety notification fees on building and construction work to the Portable Long Service Leave Authority to increase the compliance rate within the industry. This move facilitated increased compliance but, up to now, these arrangements have resulted in much confusion within the industry, particularly with the two different thresholds and levy rates that are applied on building and construction activity.

With the introduction of an all-in rate of 0.2% for both portable long service leave and workplace health and safety fees, with a common leviable threshold of \$80,000, the Government will be able to employ an additional 15 workplace health and safety inspectors in the construction industry. The previous speaker was trailing his coat when talking about raids on portable long service leave. He knows as well as I do that the best way to collect money in our industry is the way in which it has been collected for the portable long service leave. The member recognised that when he collected more money for the occupational health and safety officers. He certainly would agree—if he was not on the other side of the House—that that would be the way to collect it for training people within the industry, too.

In the 1997-98 financial year, the Division of Workplace Health and Safety investigated five fatalities and 101 serious bodily injuries in the building and construction industry throughout Queensland. As a result of these investigations, the division issued 616 warnings, 866 improvement notices and 340 prohibition notices. The incidence rate of injury and disease in the Australian construction industry, based on workers compensation data, is 12.8 occurrences per 100 employees—far higher than the all-industry average of 2.6 occurrences per 100 employees. In fact, it is 49.2% higher than the all-industry average. Honourable members should note that these figures are extremely conservative, given that the data does not cover those persons who are engaged in the industry but operate within the definition of "worker" under the workers compensation legislation. The previous Minister knocked out probably 80% of the workers of this State from coverage of workers compensation. Therefore, those figures would not be picked up in workers compensation.

We thus have an unacceptably high rate of accidents and injuries in an industry which employs up to 8% of the Queensland labour force. From these amendments, the proposed increase of a workplace health and safety fee of 0.125% and a threshold rate of \$80,000 is anticipated to raise approximately \$14m in the 1998-99 financial year in comparison to \$12.7m in the previous year. Of this, approximately \$1m will be spent on the cost of employing an additional 15 workplace health and safety inspectors, representing an increase of nearly 40% in the number of inspectors. This increase will start to address the concerns that there is a significant non-compliance in this industry, which in turn leads to unacceptably high rates of injuries. Our aim is to achieve a significant reduction in the amount of injury and illness occurring in the building and construction industry with a corresponding reduction in costs that then flow onto the wider community through health and rehabilitation systems.

The other initiatives contained in this Bill, including the improvements to portable long service leave entitlements to building and construction workers, will assist in reducing some of the inequities currently experienced in this industry. Greater access to entitlements—down from 15 to 10 years—will mean that more employees will actually get to realise their leave benefits. In addition, for those PPS workers who supply labour, this will mean that they will access long service leave entitlements for the first time ever in Queensland and rectify some of the inequities with portable long service leave schemes in other States. That is not before time. When this scheme was first mooted, I thought that those people who worked for cash in hand, PPS workers or itinerant workers should always have been in that scheme, because they never had an opportunity to get any benefits other than the cash that

they get in their hands, such as long service leave and other entitlements that other workers get. I believe that the Labor Government will be able to improve the scheme and the conditions for those people covered by portable long service leave.

Most importantly, this Bill will contribute to the employment of a future generation of young Queenslanders. And that is principally what Governments should be on about. Working together with industry and with the support of industry, this Government is getting on with the job.
