



Speech by

Mr J. HEGARTY

MEMBER FOR REDLANDS

Hansard 10 June 1999

INDUSTRIAL RELATIONS BILL

Mr HEGARTY (Redlands—NPA) (3.59 p.m.): In rising to oppose the Industrial Relations Bill, I draw to the attention of members the very fine working conditions set in train by the Federal Government and by the previous coalition State Government through the previous Minister, the member for Clayfield, when workplace conditions and the award system were replaced. By the introduction of this Bill, we are moving back to the past. With this Bill we are moving back to a centralised wage fixing system which will do employees and employers no good.

The system implemented through the workplace relations legislation in 1997 received good support right throughout industry. Employer organisations and employees have benefited from the sensible initiatives brought in at that time. With this move back to the past there will be a more interventionist system, particularly with the involvement of unions. We will see moves to bolster falling union membership, which has been systematically declining for over a decade. Unions now represent a very low percentage of employees in the Queensland and Australian work forces.

The entry powers contained in this Bill will again empower unions to be involved in the workplace. We know that will mean that unions will go into workplaces and use their influence or coerce people who are not able to stand up to the pressure of a union representative. They will tell workers that becoming a member will be in their best interest. They will be disrupting the harmony that has been established through workplace agreements under the existing industrial relations provisions.

A number of areas of this Bill should be addressed in detail. Members from both the Opposition and Government sides of the House have highlighted various aspects of the Bill. Of course, Government members put a very positive slant on things.

A couple of provisions in the Bill which it is claimed will be of benefit to employees stand to be exploited by the unions. I cite the reversal of the penalisation of employees who are stood down through inclement weather. I remember a discussion not too long ago with someone in the union movement who boasted that the criterion for declaring a wet day was to open a newspaper and, if one spot of rain fell on that newspaper, that was enough to declare the site wet. That is an example of the sorts of practices unions have employed in the past. Reintroduction of these provisions will allow that area of exploitation to be revisited.

In these enlightened times, I would be very surprised if any reasonable, thinking person would consider the practice I just outlined fair. In fact, I would go so far as to say that, educated as the work force is today in comparison with years ago, I doubt that most employees would be comfortable about going home and not doing an honest day's work if a union representative had declared a site wet in that manner. By throwing out the very sound regulations currently in place we are opening ourselves up to more union manipulation and exploitation and to disruption in the workplace.

That lawyers are now able to appear before the industrial commission opens a can of worms and clears the way for more litigation and higher costs associated with establishing fair awards and fair working conditions. It has been argued that the reason for this provision is that some quasi lawyers have been getting in on the act, allegedly taking directorships with corporations, or that there are some non-qualified but equally competent law clerks working in corporations and carrying out that role and, of

course, putting employees at a disadvantage when they are representing themselves in the Industrial Relations Commission.

I do not think anyone would dispute the fact that there are many law graduates out there in various workplaces. They are not all working for law firms. Many of them have used their skills in learning that particular discipline and they have been sought and employed for a wide range of services in the commercial and financial sectors. To use that situation as a ploy to legitimise the use of lawyers to represent employee organisations will only turn it into a very costly and drawn out legal bargaining situation.

The real thrust of this Bill, in my opinion, is to bolster declining union membership, which has been decreasing for some years. ABS statistics for August last year show that union membership in the private sector is at just over 20% and in the public sector at just over 50%. Considering the growth in the work force since the union movement was at its height in the mid-1980s, that is a significant drop in real terms.

The secretary of the ACTU here in Queensland, Mr John Thompson, conceded that for unions to have a voice they need 40% representation of all workers. We know that the unions are nowhere near that, yet we have this Bill before the House which talks about unionism, unionism, unionism. It gets unions into the act in just about every possible way in order only to bolster union membership.

We know why that is the case. The member for Warrego mentioned in his contribution that the union movement makes significant financial contributions to the ALP. Last year it was just under \$2m. That is a huge injection from a single organisation. If union membership continues to decline, there will obviously be a further decline in contributions to the party the unions support.

Mr Schwarten interjected.

Mr HEGARTY: One does not have to be an economic whiz to know——

Mr Rowell interjected.

Mr Schwarten: You donkey!

Mr ROWELL: Madam Deputy Speaker, I ask the member to withdraw that remark. I think it was totally unparliamentary.

Madam DEPUTY SPEAKER (Dr Clark): Order! Minister, you have been asked to withdraw.

Mr Schwarten: If "Heehaw, heehaw" finds that offensive, I will withdraw.

Mr ROWELL: He is continuing on now. He is just making a joke of it.

Madam DEPUTY SPEAKER: Order! The Minister should withdraw unconditionally.

Mr Schwarten: I withdraw.

Madam DEPUTY SPEAKER: Order! The honourable member should withdraw unconditionally.

Mr Schwarten: I said, "I withdraw."

Mr HEGARTY: The union movement's decline in the workplace actually has had a benefit. It has encouraged and increased productivity in all work areas. It has been acknowledged that with the globalisation of world trade a lot of businesses have had to go offshore, capitalise into machinery rather than labour and so on. These changes have all been forced upon them by the historical, unprecedentedly high, unrealistic demands of unionism for wages and conditions.

Anyone would acknowledge that, historically, in the last century and in the early part of this century, union involvement in certain industries was necessary. Workplace conditions were pretty poor. In fact, in some areas they were downright unsafe. Many people who had only their labour to sell probably had their lives shortened by the sort of work some of them had to do. As in all things, the pendulum swings. The pendulum had swung right to the other side, so that unions ran things to the extent that it was not even worth while for an employer to employ labour in this country. Not only could they not generate a profit for themselves—which anybody who puts their capital at risk is entitled to do—but some of them actually went broke because of the demands—the excessive demands—of unions for wages and conditions.

Through the workplace agreements under the previous legislation introduced by the Federal and State Governments, we had a change from that situation. Workers were encouraged to—and agreed to—enter into workplace agreements whereby the motivation of better wages resulted in better productivity. Of course, that was a win/win situation for both the employer and the employee. On the national scene and the State scene, it increased our exports. Those are the sorts of things that have put Queensland in the healthy position that it is in today.

I am very surprised to hear members opposite decrying the fact that we are concerned about this new Bill. The Premier gets up in this Chamber almost every morning, telling us about his jobs

target, gloating how the unemployment rate is declining and how annual growth in Queensland of around 4.8% is outstripping those First World economies of the USA and the UK.

Mr Rowell interjected.

Mr Schwarten interjected.

Madam DEPUTY SPEAKER (Dr Clark): Order! Would the two members having a conversation across the Chamber show some decorum? I am trying to listen to the member who is on his feet.

Mr HEGARTY: Thank you, Madam Deputy Speaker. We see here a contradiction. We have the benefits being extolled by the Government and the leader of the Government almost on a daily basis, yet he wants to remove the very things that produced that productivity and that employment by bringing in this Industrial Relations Bill.

We have to decide who is being fair dinkum. Who is going to be blamed when employers start moving away from what they have been undertaking with their workplace agreements when the unions become involved? Will there be the same satisfactory agreement between the employer and the employee? I think not! If union numbers are declining, there must be a reason. And the reason primarily is that they are no longer relevant to the people they once represented. If they have a service to provide, and if they can produce better conditions than workplace agreements, people will flock to rejoin the unions. But of course, they are not doing that. They are happy. So we have a false situation——

Mr Schwarten interjected.

Mr HEGARTY: The member for Rockhampton has already been chided for interjecting—even from his incorrect seat. He is sitting there chewing his cud like some bovine boofhead. If he wants to do something constructive, he should go outside.

Mr SCHWARTEN: I rise to a point of order. That is unparliamentary. What is good for the goose is good for the gander.

Madam DEPUTY SPEAKER: Order! Is the member asking for that comment to be withdrawn?

Mr SCHWARTEN: My point is that it is unparliamentary and unnecessary, and I ask that it be withdrawn.

Mr HEGARTY: I will withdraw that. It was probably a cow of a thing to say. The member must be very sensitive today. Obviously, his mauling by Mike Munro a week ago has left him in a rather delicate state.

The unions' involvement in this Bill will be a retrograde step. I believe that the Minister and the Premier will rue the day they supported this Bill—when the unemployment rate starts to increase, when the State's productivity starts to decrease, and when we are back to a situation of central wage fixing covered by the Industrial Relations Commission.

The other situation that this Bill hopes to reintroduce is regulated working hours. We have seen amendments in recent years from the structured work day. No longer do people work nine to five, Monday to Friday; they work very flexible and varied working hours. This move to reintroduce regulated working hours will not meet the needs of the work force. The task force, in recommending such a retrograde and dated approach, really brings into question the task force's findings. What were they thinking about? They were supposed to be looking at the needs of the work force, including the employees, yet they are recommending regulated working hours.

Also, the unfair dismissal laws are being revisited. I believe that if one hires a dud, one should be able to fire a dud. With nearly 98% of the Queensland work force working for small business, how can any employer with a few employees be expected to carry a non-productive member of the team? Of course, there are horses for courses, and most people would realise that people take a punt when they employ people. But once a person starts working on a job and they cannot be a productive member of that group, there is usually not the capacity in a small firm to carry someone to that extent. But this Bill is going to revisit that. There will be a three-month mandatory probation period. Of course, all these things are going to reflect on the employer and, in turn, the employee. Employers will not expand their businesses if it is going to be to their financial detriment. They will do the things they can with the staff numbers they have and, in turn, that will mean fewer job opportunities.

This Bill is going to concentrate on and extend to workers outside current awards. I do not know what this is going to lead to but, again, I presume it is going to lead to more union intervention and more opportunities to gain membership from the falling current levels and, again, do away with the workplace agreements that have been working very satisfactorily for the past couple of years. In fact, I believe that most of those workplace agreements will be coming up for renewal. I think they were for around two or three-year periods in many cases. So it will be interesting. We will have a benchmark in a relatively short space of time of just how many people are unhappy with the agreements they reached previously and do not want to renew them. But I think that it will be the exact opposite. I think that an

overwhelming number of those employees and employers will be happy with the arrangements that they have entered into and will want to continue that very satisfactory relationship.

I heard one Government member mention the Patrick dispute, which generated a lot of controversy last year because of the methods that were employed to highlight the ongoing unsatisfactory situation on the Queensland and Australian waterfronts. The union won the battle, in the sense that it succeeded in not having all those workers sacked, but after all of the negotiations, although almost half of the work force agreed to take redundancies, productivity remained the same. That was proof that there were just too many people employed to do too few tasks, making the Australian waterfront unproductive—as it had been for years. But it took a confrontationalist situation like that for the unions to realise that we just cannot operate that way any more, where we have X number of people doing very little and even being paid for not turning up to work and then expect productivity levels to be of such a standard that we can compete on the world stage.

This Bill will be nothing but trouble for the workers and the employers of Queensland. More businesses will be moving off shore. There will be a reduction in the expansion of businesses. It has been found that businesses with fewer than 19 employees have actually increased their productivity and profits during the last couple of years when workplace agreements have been in force. I believe that speaks volumes. We are not going to maintain the growth rate in this State if people do not have an opportunity to make a profit.

This Bill will take us back to the dark ages. The Industrial Relations Commission will be making awards that are outside reality. The workplace agreements which have been working satisfactorily will be discouraged by the union interventionists, and we will see a decline in the standards of living of Queenslanders through this very foolish and non-productive Bill which the Minister has insisted on introducing.
