Speech by

# MIKE REYNOLDS

## MEMBER FOR TOWNSVILLE

Hansard 10 June 1999

### INDUSTRIAL RELATIONS BILL

**Mr REYNOLDS** (Townsville—ALP) (4.20 p.m.): The introduction of the Industrial Relations Bill 1999 will see new industrial laws for the 21st century that promote jobs for Queenslanders, job security for Queensland workers and productive Queensland workplaces that support a more stable and secure Queensland economy. The new laws are contemporary laws that reflect the diversity of Queensland businesses and industry, whilst at the same time protecting the Queensland community from damaging industrial disputation.

Since the introduction of the ideologically conservative Federal and State workplace relations laws in 1996 and 1997 we have seen a disturbing trend emerging towards a culture of lock-outs, protracted strikes and the increased use of civil courts to resolve industrial disputes. These laws have done nothing but promote a winner-takes-all mentality in workplace disputes and disagreements.

We need look no further than disputes such as the Hunter Valley dispute, the Patrick dispute, the Curragh dispute, the Gordonstone dispute and the recent Sun Metals dispute. These are all disputes which have occurred under the conservatives' workplace relations laws. The difference between these disputes and disputes during the rest of the 1990s is the bitterness and animosities between the warring parties, the protracted and lengthy nature of the disputes and the damaging consequences not only to the protagonists but also to the local communities as a consequence. I can say that from first-hand experience in relation to the Sun Metals dispute in my capacity as the State member for Townsville.

The coalition likes to crow about the so-called low levels of industrial disputation that occurred under its laws. Most Australians remember the very ugly and violent scenes during the Patrick dispute last year—balaclava-clad goons, guard dogs couriered in speed boats into workplaces on our waterfront, illegal sackings of workers, and workers and their wives and children and thousands of other trade unionists and members of the community all protesting about the senseless and vicious attack on workers' rights—on Australian people's rights. That is what the conservative laws have brought about.

Let us place on record just how low these levels of disputation have been: the Hunter Valley—a 14-week strike resulting in an estimated 22,000 lost working days; Curragh—a 15-week strike resulting in 18,750 lost working days; Gordonstone—a two-year dispute resulting in an estimated 177,900 lost working days; Patrick—a five-week dispute resulting in an estimated 60,000 lost working days; and Sun Metals—a three-week dispute resulting in an estimated 42,500 lost working days. So much for record low industrial disputation under the conservative laws at State and Federal level.

Let us look at it again: 22,000 working days lost at Hunter Valley; 18,750 working days lost at Curragh; 177,900 estimated working days lost at Gordonstone; 60,000 working days lost at Patrick; and 42,500 working days lost at Sun Metals. This is a total of 321,150 working days lost in these five major disputes under the mirror Federal and State workplace relations laws since 1996.

These statistics make a total mockery of coalition claims that its laws have reduced industrial disputation. The coalition's laws not only promote disputation; they do nothing to try to resolve the matters at the heart of the dispute and they do nothing to protect the community. After the last few years under the conservatives' workplace laws, one thing which has become clear is that not just workers and not just the Queensland community but the vast majority of employers want protection

from damaging disputation. That is what they will be getting under this Beattie Labor Government set of laws.

During the review of the industrial relations legislation undertaken by the Industrial Relations Task Force, it became clear that there is general consensus about the need to provide for strong conciliation and arbitration powers to end harmful disputes and to resolve the issues in contention. The new industrial relations laws will provide for that. We will have strengthened powers for the Queensland Industrial Relations Commission to intervene in disputes without being restrained by ideologically unsound laws. We have strengthened the powers to resolve issues in contention between industrial parties. This is something for which the conservatives' workplace relations laws do nothing.

Another area that is contained in this Bill is the variety of agreements from which employers, unions and workers can choose. We have removed the artificial constraints on choice of agreements inherent in the Workplace Relations Act—an Act with its ideological drive towards individual contracts and no protection for workers. Instead, we have provided for a variety of types of agreements, including single workplace agreements, multiple employer agreements, new business agreements and project agreements.

I want to spend some time addressing the new provisions in the laws for project agreements and for new business agreements. In 1994, the then Goss Labor Government introduced amending legislation to the Industrial Relations Act 1990 providing for certified agreements. Some of these types of agreements have come to be known colloquially as greenfield agreements. The policy intent of these types of agreements was to allow for employers and unions to negotiate agreements to apply in new workplaces—for example, where an existing employer was proposing to establish a new production plant that had new technologies and work practices. The opportunity was inherent in these types of agreements to achieve, at the same time, rationalisation of unions on the new site. It did not provide a right for the employer to pick and choose a union with whom he would like to deal, with no regard to the wishes of the workers or the rights of unions to represent their members.

This was in an era of union amalgamations, rationalisation of union coverage within particular industries and the establishment of collective bargaining negotiated through union single bargaining units. These greenfield agreements were entered into for these new workplaces—one of the most notable in Queensland being the establishment of the new Coca-Cola plant. However, since that time, greenfield agreements have also come to be used on construction sites for the building of new workplaces and the development of major projects throughout the State of Queensland.

The nature of the construction industry is such that it became arguable under the laws that each new building or construction site was treated as a greenfield site. The reality of this is that one entire industry was discriminated against because of the particular nature of that industry. The nature of the building and construction industry is such that workers are often employed either by the same contractor and move from work site to work site or, alternatively, workers are employed by a variety of contractors on a variety of sites. That is the nature of the industry.

The peculiar and transient nature of the building and construction industry has been recognised through legislative intervention in employment conditions for building and construction workers, evidenced through the establishment of the Building and Construction Industry (Portable Long Service Leave) Act 1991, the establishment of the Building and Construction Industry Training Fund and the proposed introduction of the levy-based workers compensation system for the building and construction industry. It should be no surprise that the Industrial Relations Bill 1999 also recognises the unique nature of this industry in the types of agreements that will apply. Under the new legislation, major construction project activity will be able to be regulated through what are termed project agreements.

Under the new laws, "construction" is defined as building and construction, civil and engineering construction or demolition work. For the purposes of the Act, "building and construction" is part of the definition of "construction" as provided for in the Building and Construction Industry (Portable Long Service Leave) Act 1991. Therefore, all construction activity defined within the scope of this definition will be able to be covered by a project agreement. Project agreements may be made either before the commencement of a project or during the life of a project. A project agreement will operate to the total exclusion of any other agreement under the Industrial Relations Act, thereby providing for more security and stability in employment conditions for the project throughout its life.

The ability to enter into a project agreement prior to the commencement of the project will ensure that industrial relations arrangements are sorted out and established before the employment of the workers who will work on the project site. Again, that will create more stability for the project. Where a party is proposing to make a project agreement, notification must be given to all relevant unions who are entitled to represent the industrial interests of employees who will be employed on this site. There has been much media hype about that particular point and speculation that that could mean that all unions have to be notified. However, in reality, it relates to four unions: the AWU, the AMWU, the CEPU

and the CFMEU. That means that, if they operate under our new laws, there will be reduced industrial disputation on major construction project sites in Queensland.

Those unions that indicate that they wish to participate in bargaining for a project agreement are required to bargain as a single bargaining unit. That means to bargain with one voice. The practical realities are that all unions participating in these negotiations will be required to resolve any potential demarcations over coverage prior to the commencement of the project rather than face a continuation of demarcation disputes between unions. That will prevent episodes similar to the Sun Metals dispute from occurring under State legislation. I say to the House today that I do not want this type of dispute occurring again while I am a member of this Government. The Sun Metals dispute was a disaster for Townsville and the blame lies squarely with the failure of the coalition's industrial laws.

There has also been media hype about employers transferring their businesses to the Federal jurisdiction so that they can continue to make greenfield agreements under Peter Reith's workplace relations laws. What has been occurring and is currently occurring is that approximately 60% of all greenfield agreements have been made and registered in the Federal jurisdiction. Therefore, there is going to be no mass exodus from the State jurisdiction. To that remaining 40% of the projects, the one thing that I would say is that investors should not be misled by the political posturing of employer organisations and the scaremongering of the coalition. This Bill does nothing to prevent employers and unions from pursuing greenfield agreements in the Federal jurisdiction. However, if employers continue to adopt a head-in-the-sand approach to industrial problems on major projects, it should be pointed out that moving to the Federal jurisdiction will do nothing to prevent continued industrial disputation on major project sites, such as we saw with the Sun Metals dispute in Townsville. That is particularly so if the unions which have a traditional right to represent the industrial interests of workers in the building and construction industry are continually excluded. That not only flies in the face of the coalition's so-called freedom of choice principles but also flies in the face of good industrial relations practices.

The other mythology that has been peddled in the media is that the Government is abolishing greenfield agreements. Again, for the record, the Government is not abolishing greenfield agreements. We are clarifying the original policy intent of greenfield agreements by retaining them for new business agreements, which is an agreement that may be made for the ongoing operation of a business once it is established. That may occur when an employer is proposing to establish a new workplace or is relocating to a new workplace. However, it does not include the construction of a new workplace.

In summary, the Industrial Relations Bill 1999 will encourage jobs and it will encourage job security for Queensland workers. Investors should not be misled by the pretty poor rhetoric of certain employer organisations, such as the QCCI, and the conservative coalition who seek to damage the interests of this State to further their own political advantage. Project agreements will provide not only greater stability and security for project investors but also, if they choose to operate under our laws, lower levels of disputation.

The building and construction industry is a transient and unique industry. Previously, we have recognised these differences through introducing portable long service leave, an industry training fund and the proposed workers compensation levy-based system. This Bill simply recognises the same differences. It establishes a system to suit the needs of this industry. It removes the discrimination inherent in the current laws against the industry.

The new industry laws will not only be fair and balanced but also they will restore the rights of many Queensland workers who have been discriminated against or disadvantaged under the coalition's anti-worker and draconian laws. Our laws are new laws that will meet the needs of Queensland workers and industry in the new century. I commend this legislation to the House and I congratulate the Minister, Paul Braddy, on his presentation of a progressive industrial relations framework for the State of Queensland.

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