



Speech by
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MEMBER FOR GREENSLOPES

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INDUSTRIAL RELATIONS (FAIR WORK ACT HARMONISATION) AND OTHER LEGISLATION AMENDMENT BILL

Mr KAYE (Greenslopes—LNP) (4.57 pm): I rise today as a member of the Finance and Administration Committee to speak on the Industrial Relations (Fair Work Act Harmonisation) and Other Legislation Amendment Bill 2012. Firstly, I want to thank the committee chair and the other committee members for the great work that was done, as well as the research officers. As was noted in the incoming government brief from Treasury in March 2012, Queensland's fiscal position and outlook is unsustainable and restoration must be an urgent priority for this term of government. Think about that statement. The economic recklessness of the previous Labor administration has seen this state saddled with a debt of \$62 billion this year, rising to \$85 billion in 2014-15. The state's interest repayment is in the vicinity of \$5 billion a year, and those opposite have decided to oppose this bill in spite of the fact that they signed away Queensland's private sector industrial powers to the Commonwealth in 2010!

This bill is designed to harmonise—hence the title—the Industrial Relations Act 1999 with Commonwealth legislation, legislation their comrades in Canberra enacted and Australians have been operating under since then. On 17 May 2012 when this bill was introduced by my colleague the honourable Attorney-General and Minister for Justice, it was part of our commitment to Queensland to get the state back on track.

It is simply ludicrous to have Commonwealth industrial relations laws governing most of the workers of the state but leaving out employees of the Queensland Public Service and local government—some 245,000 workers. The Industrial Relations Act 1999 will be modernised to bring it into line with key aspects of the Commonwealth regime.

The bill also asks the Queensland Industrial Relations Commission to give careful consideration to the prevailing economic conditions when determining wages and employment conditions. This does not seem unreasonable, does it? After all, many businesspeople, corporations, investors and mums and dads have to do this every day when balancing their budgets. Why should the QIRC not be subject to the same criteria? As noted in the legislation the QIRC—the independent tribunal—will not be losing any of its jurisdiction and maintains the power to regulate entitlements and certified agreements. It is being given a directive to consider the parlous nature of the state's finances when negotiating entitlements and awards for public sector and local government workers.

As we know, between 2005 to 2011 general government expenses grew at almost double the rate of revenue. The Labor government, doing what it does best, was spending without restraint and was having to borrow money to pay our public servants. So teachers, nurses and even police officers, like I was, were all being paid with borrowed money.

Mr Cripps: You didn't forget police.

Mr KAYE: I did not forget. These are front-line services that are dependent on government borrowings. I do not think those opposite object so much to wage restraint being shown in public sector

award negotiations; I think they object to the power that the minister would have to terminate strike action that is detrimental to the economy and/or harmful to society and public safety.

We all saw what happened with the Qantas dispute last year, when the Australian economy was so adversely affected by striking workers in a private company. As a direct result of that action, Qantas had to downgrade its profits some \$450 million. Too bad for the investors, the travellers and the workers who have lost money, wasted time and now may face losing their jobs. Imagine if those people were the nurses in our public hospitals, the teachers in our schools, or the police charged with protecting our streets. That is not a pretty picture.

This power is already vested in the Fair Work Act at the federal level and now the power will be given to the minister to 'make a declaration terminating industrial action if the minister is satisfied that the action is threatening the safety and welfare of the community or is threatening to damage the economy'. That does not say that the industrial action is forbidden or that the minister can shut down anything as he sees fit. We will leave those types of actions to the federal Labor government, which shut down an entire industry on the back of a television report. Further, the explanatory notes to the legislation state—

The amendments mirror provisions in the Federal *Fair Work Act 2009* ... where declarations are made subject to similar criteria by the Minister as the person responsible for the effective functioning of the legislation. Given that these provisions are already in place federally this amendment simply brings the legislation in line with federal provisions that apply to Queensland private sector employees thus achieving greater consistency across jurisdictions. It is expected that the Minister would exercise caution in employing this power and that such declarations would only be made in extreme cases where it was considered in the public benefit to take such action.

I ask members to note the words 'in extreme cases where it was considered in the public benefit'—not for the union's benefit, the benefit of those opposite or the minister's benefit but for the benefit of the wider public.

The purpose of this bill is to harmonise—and again, those opposite should note the title of the bill—state legislation with federal legislation. I refer again to the advice given to the Finance and Administration Committee by the department. The committee report states that the 'object of the bill is to provide a framework for industrial action that supports economic prosperity and social justice and a variety of measures have been included in order to facilitate this'. These instruments have been taken from the federal Fair Work Act 2009, under which the vast majority of workers in this state are covered.

I am intrigued as to why those opposite, who voted to assign workers' rights to the federal sphere on 1 January 2010, now object strenuously to the Newman government acting to bring the public sector into line with the private sector. Are workers' rights suddenly not now worth protecting in the private sector from the draconian and unfair Fair Work Act, which was enacted by their federal Labor brethren? I cannot be sure, as we have been told continually how wonderful this act has been. Why are they now objecting to elements of the act being integrated into the Public Service Act 2008? Those opposite have something against consistency, good-faith bargaining processes and giving our public sector employees certainty.

There are a number of other factors in this bill that are designed to help the QIRC in its determinations; namely, the addition of the process where the Treasury chief executive has the ability to brief the commission about the state's financial position, fiscal strategy and related matters. As the minister noted in his media statement on 17 May 2012—

The QIRC will remain completely independent and have the freedom to make its own decisions, that hasn't changed.

Under the new legislation, the QIRC will get the information it needs to make key decisions about financial sustainability and what represents value for the State's taxpayers.

We went to the last election on this platform: to get Queensland back on track by cutting waste, creating opportunity and providing open, honest and transparent government to the people of this state. By giving the QIRC the facts, it will be able to determine what is fair and consistent with both the state's ability to pay and what those workers in the public sector are entitled to.

Under this legislation, negotiations with public sector employees can be done in good faith and nobody is being cut out of the process. Employee organisations will still be able to represent their members but perhaps now will be able to do this in a constructive way rather than under the previous administration, where only the privileged few were let in on the true state of affairs. This is what being open and transparent is all about. It is not about sneaky backroom deals designed to look after union mates but about outcomes that benefit all concerned. The government values the excellent work that is performed by our Public Service, whether they are in front-line services or in various departments, but it also wants to see our economy start growing again. The two are not mutually exclusive.

By retaining two distinct bodies dealing with the same issues, we are essentially doubling up on bureaucratic process. The Newman government has promised to cut red tape for business, and by cutting red tape in our own government processes and refocusing the Public Service Commission away from

dealing with workplace dispute appeals and other regulatory matters to an efficiency agenda we are clearly demonstrating this commitment. The dispute appeals process will continue but will rest with the QIRC.

I am sure that everyone in this place would be grateful to hear the price tag of this necessary harmonisation process. The grand total of this change is to be zero dollars. Yes, that is right: zero dollars. The explanatory notes say that the implementation of the amendments to the Public Service Act 2008, by not continuing with the other persons as appointed commissioners, will deliver savings in remuneration sitting fees to the government of \$30,000 per additional commissioner. I realise that that may seem ridiculous to those in this chamber who are used to throwing money around recklessly, but, at the same time as making a profit, the Newman government will be able to give the QIRC and the public sector employees, their representatives and, most importantly, the people of Queensland the framework to negotiate in good faith for fair and equitable outcomes in relation to their wages and entitlements. I would also like to thank all of those who contributed to the public hearing and provided submissions. I commend this bill to the House.