



TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA

National Secretary
Michele O'Neil

National Office
500 Swanston Street
Carlton VIC 3053

Phone (03) 9639 2955

Fax (03) 9639 2944

Email
nationaloffice@tcfvic.org.au

Website www.tcfua.org.au

27 September 2016

Committee Secretary
Senate Education and Employment Committees
PO Box 6100
Parliament House
Canberra ACT 2600

By email: eec.sen@aph.gov.au

Dear Committee members,

**Senate Education and Employment Legislation Committee
Inquiry into the *Building and Construction Industry (Improving Productivity) Bill 2013* and
Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013
Submission of the Textile, Clothing and Footwear Union of Australia ('TCFUA')**

The TCFUA welcomes the opportunity to provide this submission to the above Inquiry.

The *Building and Construction Industry (Improving Productivity) Bill 2013* ('**the Bill**') proposes to regulate certain conduct of building industry participants who perform building work. The *Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013* ('related bill') proposes to amend a number of acts to provide administrative and transitional arrangements.

The Bills extends the definition of building work to encompass transport or supply of goods to building sites. The Bill also provides for the making of a Building Code that would be an instrument that all building companies are required to comply with before tendering to perform building work in a Territory or Commonwealth Place. The then government produced an 'advance release' of the Building Code, which is a legislative instrument to come into effect with the Bills as 'package of reform'. The proposed Building Code applies to companies *and their related entities* who would tender for building work and severely restricts ability of workers to negotiate favourable terms in EBAs. Although the Building Code can only come into effect when the Bills are passed, it is retrospective in operation.

Both the Bill and the related Bill have been introduced and referred to the Senate for inquiry on two prior occasions, in 2014 and 2015. On both referrals, extensive submissions were made by interested parties. We support the submissions of ACTU and CFMEU that there is no need for the Bills.

Furthermore, the TCFUA is concerned that the Bills will impact upon industries other than the building industries and will be detrimental to the working conditions of many workers, including low paid workers in the textile industry. The ABCC Bills and the Building Code are bad and unfair laws for building workers but they are also bad and unfair laws for textile workers.

We strongly urge that the Senate reject the Bills in their entirety.

Although the purported purpose of the Bills is to regulate building industry participants, the practical reach of the Bills is significantly wider than the building industry and has potential to be misused to erode the working conditions of many low-paid workers. The Bills are an attempt to regulate industrial relations by the back door and in the

TCFUA's experience has already been used to delay a pay increase to textile workers and to water down their conditions under an enterprise agreement.

CASE STUDY: LOW PAID TEXTILE WORKERS

Within the textile industry, the TCFUA has already seen an example, even prior to the commencement of the legislation, of a company attempting to use legislating to erode workers' rights.

Godfrey Hirst Australia Pty Ltd ('Godfrey Hirst'), Australia's largest carpet manufacturer based in Geelong Victoria, attempted to use the not yet legislated Bills and proposed Building Code to stall enterprise agreement negotiations, delay a pay increase and reduce workers' conditions under its then existing enterprise agreement.

Workers at Godfrey Hirst had been negotiating an enterprise agreement since May 2014, as the then enterprise agreement expired in June 2014. The company was not prepared to offer a fair and reasonable wage increase. Despite the proposed Building Code applying only to building work and in order to stall enterprise agreement negotiations and not give workers a fair wage increase, Godfrey Hirst argued that the proposed Building Code applied to the production workers and workers covered by the TCFUA at its Geelong sites.

Godfrey Hirst also attempted to use the proposed Building Code to take away important conditions, such as job security clauses and the requirement for the union and workers to agree to any unpaid stand down, and the "last on, first off" clause for redundancies.

Workers at Godfrey Hirst had fought long and hard for their rights and conditions. Workers undertook industrial action, including stop works and bans on overtime, in order to protect their current rights and conditions, and to fight for a fair wage increase. Although the workers' vote to take industrial action resulted in the company finally giving up on their insistence that the proposed Building Code applies to any new agreement, workers did not have a fair wage increase for three years.

Conclusion

The Bills and proposed Building Code are designed to strip away workers' rights, and not just in the building industry. These laws are unfair, undemocratic and an attack on all workers. We urge the Senate to reject the Bills in their entirety.

If you wish to discuss any aspect of this submission, in the first instance please contact

Regards

Michele O'Neil
National Secretary,
State Secretary
(Victorian Queensland Western Australian Branch).