

master plumbers

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25 October 2017

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

Via Email: eec.sen@aph.gov.au

Dear Committee Secretary

Re: Fair Work Laws Amendment (Proper Use of Benefits) Bill 2017

Please accept this submission to the Senate Education and Employment Legislation Committee Inquiry into the Fair Work Laws Amendment (Proper Use of Benefits) Bill 2017.

The submission is made on behalf of the **Master Plumbers' and Mechanical Services Association of Australia**, the peak industry body representing plumbing contractors throughout Australia.

The Plumbing Employers support the need for organisations to be responsible for the allocation of employee funds and being transparent in their decision making and accountable for funding allocation decisions.

However, **the Employers do not support the proposed Bill. The primary concern for the Industry is that we believe the Bill** has the potential to significantly reduce the benefits that all worker redundancy funds, including Incolink, can provide to workers and employers. This may lead to **increased costs for construction companies, the renegotiation of EBA's and significantly reduced Occupational Health & Safety expertise in the Victorian construction industry.**

The construction industry presents unique safety risks to workers and is characterised by high levels of worker vulnerability. Construction workers face the highest risk of injury and death, have the highest level of suicide of any worker group, experience high levels of labour mobility and insecure work, long periods of unemployment and high levels of redundancy.

Incolink provides a safety net which protects vulnerable construction workers by investing in workers' training, health, wellbeing and safety to tackle these issues. It is a unique fund bringing workers and employers together to solve industry problems.



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This Bill may have significant impacts on Incolink's 40,000+ worker members. In particular, it may prevent us investing in key Occupational Health and Safety initiatives and providing workers' insurances, such as funeral, dental and ambulance cover that Incolink funds directly.

If Incolink cannot fund insurance coverage for members then there are only two alternatives: Workers will have reduced or even no insurance coverage or employers will be required to pay.

The Bill also creates significant uncertainty about whether Incolink can continue to provide safety training and wellbeing services such as suicide prevention support, mental health and drug and alcohol counselling.

There is no identified need within the Industry to change the existing arrangements. We would however support any initiative the Government proposed aimed at working collaboratively with the Industry and the Employee Benefit Funds with a view to identifying ways in which the accountability objectives of the proposed Bill can be achieved without stifling the industry development and progress.

Should you wish to discuss the submission further, please do not hesitate to contact Ken Gardner, Chief Executive Officer,

Yours Sincerely,

Ken Gardner

Chief Executive Officer

