

Media Release – For immediate release

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Infrastructure Investment and Jobs at Risk from IR Bill Amendments

Australia's peak national body for the civil construction sector, Civil Contractors Federation National (CCF) has reacted with anger and dismay at the Government's amendments to the *Secure Jobs Better Pay Bill* that were introduced into the House of Representatives yesterday and has called for the Senate to block its passage.

"The Government's industrial relations bill should not pass the Parliament in its current form as it would put at risk private sector investment that currently comprises approximately 50% of Australia's annual \$84 billion civil infrastructure investment pipeline and will inevitably cost thousands of employees their jobs at a time when the economy desperately needs a productive and efficient sector to contribute to Australia's economy," said Chris Melham, Chief Executive Officer, CCF National.

Overnight, the government proposed an amendment which redefines the meaning of 'Building and Construction' and removed the multi-employer bargaining exemption from civil construction. This put the IR Bill at odds with the Building and Construction General On-site Award 2020. As a result, the two pieces of legislation are now at odds with each other regarding 'coverage'.

"This ill-considered <u>policy on the run approach</u> is regulatory discrimination that will cause serious disruption to Australia's infrastructure sector (caused by wide spread industrial strikes when there is a disagreement) including the construction of Australia's roads, railways, bridges, pipelines and the utilities sector. The ripple effect up and down the construction supply chain is going to bring some of Australia's most important sectors to a standstill, including transport.

"The Bill must exclude civil construction from the multi-employer bargaining in all cases as defined in the Building and Construction General On-site Award 2020. The sector is amongst the highest paying and certainly does not fit within the governments Bill criteria of applying to "low paid" industries.

"CCF supports an effective industrial relations framework that enhances productivity by minimising workplace and workforce disruptions, however, the *Secure Jobs, Better Pay Bill 2022* falls far short of meeting this objective. Rather, it would act as a drag on productivity which is one of the key problems facing the civil construction industry."

Mr Melham said a large number of contractors negotiate directly with their employees, however, the multiemployer bargaining provisions appear to give preferential representative and bargaining rights to unions whether sought by employees concerned or not. The civil construction industry is unique in comparison to other building and construction industries in regard to the distribution of a bargaining power amongst employers. Civil construction has a small number of large companies with very strong bargaining power and a huge number of small business employers without any real bargaining power which creates a perfect environment via pattern bargaining for abuse of small businesses and consequently their elimination from the market.

"The Government's "one size fits all" pattern dealing approach to bargaining will stifle competitiveness and innovation at the enterprise level and will inevitably benefit large business at the expense of smaller businesses. We reiterate our <u>call</u> for proper scrutiny of this Bill through genuine consultation with affected industry groups.

"CCF calls on the Senate to block these proposed changes until there is a thorough examination of their potential effect on industry," he concluded.



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"The peak voice of the Civil Construction Sector"