

# CHAPTER 1

## Introduction and Background

### Reference

1.1 On 4 February 2016, the Senate referred the provisions of the Building and Construction Industry (Improving Productivity) Bill 2013 [No. 2] and the Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [No. 2] to the Education and Employment Legislation Committee for inquiry and report by 15 March 2016.<sup>1</sup>

### Conduct of the inquiry

1.2 Details of the inquiry were made available on the committee's website and the committee also contacted a number of organisations inviting submissions to the inquiry. Submissions were received from 20 organisations as listed in Appendix 1. A public hearing was held in Canberra on Friday, 5 March 2016. The witness list for that hearing is available in Appendix 2.

### Note on references

1.3 References in this report to the Hansard for the public hearing are to the proof Hansard. Please note that page numbers may vary between the proof and official Hansard transcripts.

### Background to the Bill

1.4 The Building and Construction Industry (Improving Productivity) Bill 2013 (the Bill) fulfils the Government's election commitment to re-establish the Australian Building and Construction Commission (ABCC).<sup>2</sup>

1.5 The Bill is intended to substantially replicate the *Building and Construction Industry Improvement Act 2005* (the BCII Act) which responded to the workplace relations recommendations of the Royal Commission into the Building and Construction Industry (the Royal Commission), which reported in 2003.<sup>3</sup>

### Legislative History

1.6 The Australian Building and Construction Commission was abolished in 2012 under the *Building and Construction Industry Improvement Amendment (Transition to Fair Work) Act 2012* (the current Act). The committee considered that bill in its report of February 2012.<sup>4</sup> Over the last decade or so the committee has considered much of the subject matter and many of the key issues contained in this bill.

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1 *Journals of the Senate*, No. 137—4 February 2016, p.3710

2 *Explanatory Memorandum*, p. 50.

3 *Explanatory Memorandum*, p. 50.

4 See Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013*, December 2013, pp 1-2.

1.7 In 2003 the Royal Commission into the Building and Construction Industry released its reports and findings. Consequently, the government introduced the Building and Construction Industry Improvement Bill 2003. This bill lapsed in the Senate when Parliament was prorogued in 2004. Nevertheless, the committee produced a report in June 2004 covering the 2003 bill and related matters.<sup>5</sup>

1.8 In 2005 the Building and Construction Industry Improvement Bill 2005 was introduced and passed. The committee inquired into the 2005 bill and tabled a report in May of that year.<sup>6</sup>

1.9 The Building and Construction Industry (Restoring Workplace Rights) Bill 2008 was introduced as a private members' bill and the committee inquired into and reported on this bill in November 2008.<sup>7</sup>

1.10 On 17 June 2009 the former Labor government introduced the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2009. The Senate referred the provisions of the bill to the committee. The bill lapsed when Parliament was prorogued on 19 July 2010. The committee inquired and presented a report in September 2009.<sup>8</sup>

1.11 On 14 November 2013 the government introduced the Building and Construction Industry (Improving Productivity) Bill 2013 and the Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013. The Senate referred the provisions of the bills to the Senate Education and Employment Committee for inquiry and report by 2 December 2013.<sup>9</sup> The bills were negatived in the Senate on 17 August 2015.<sup>10</sup>

1.12 On 4 February 2016, the Building and Construction Industry (Improving Productivity) Bill 2013 [No. 2] and the Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [No. 2] were introduced and

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5 See Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013*, December 2013, p.2.

6 See Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 [Provisions] and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [Provisions]*, December 2013, p. 2.

7 See Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 [Provisions] and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [Provisions]*, December 2013, p. 2.

8 See Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 [Provisions] and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [Provisions]*, December 2013, p. 2.

9 *Journals of the Senate*, No. 3—14 November 2013, pp 124–127.

10 *Journals of the Senate*, No.107—17 August 2015, pp 2955–2956.

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read a first time in the Senate. The bills were referred to the Senate Education and Employment Legislation Committee for inquiry and report by 15 March 2016.<sup>11</sup>

### **Findings of the Committee in 2013**

1.13 In its report, tabled on 2 December 2013,<sup>12</sup> the committee considered the Building and Construction Industry (Improving Productivity) Bill 2013 and the Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 and recommended they be passed by the Senate, unamended.

1.14 The committee notes that there are no changes to the current bills, and refers the Senate to its 2013 report.<sup>13</sup>

### **Acknowledgement**

1.15 The committee thanks those individuals and organisations who contributed to the inquiry by preparing written submissions, giving evidence at the hearing and responding to questions taken on notice.

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11 *Journals of the Senate*, No. 137—4 February 2016, pp 3710–3712

12 Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 [Provisions] and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [Provisions]*, December 2013.

13 Senate Education and Employment Legislation Committee, *Building and Construction Industry (Improving Productivity) Bill 2013 [Provisions] and Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 [Provisions]*, December 2013.

