

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Building and Construction Industry Inquiry

Submission no: 73

Received: 09/02/2004

Submitter: Mr Chris Jones
Managing Director

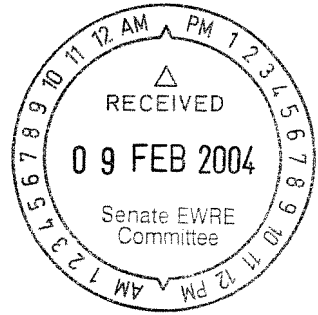
Organisation: QR Concrete

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5th February 2004

Mr J. Carter
The Secretary
Senate Employment, Workplace Relations and Education
Reference Committee
Suite SG.52
Parliament House
CANBERRA ACT 2600

Dear Sir:

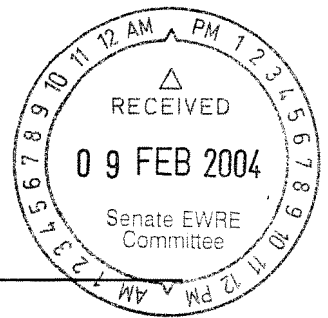
Please find enclosed my witness statement for the Senate Inquiry into the Building and Construction Industry in Brisbane.

With best wishes,

Yours faithfully,

Per: *Chris Jones*

Chris Jones
Managing Director
QR Concrete



STATEMENT OF CHRIS JONES


I, CHRIS JONES of **QR Concrete** of **27 Morrisby Street, Geebung, Queensland** state:

1. I am currently the Managing Director of the company called QR Concrete which was incorporated in 1990.
2. I have worked in the construction industry for nearly 30 years.
3. I started out in the building construction industry when I was 15 years of age as a brickies labourer and over the years worked for various subcontractors in different roles (ie. concretor, rigging, etc) and in regional areas.
4. I currently have between 55-60 mainly labourers and carpenters employed by my company and have 12 office and supervisory staff. Also I employ usually four trainees at any one time.
5. I have used labour hire from time to time, only for top up. I prefer to employ direct and find that labour hire's reliability and quality is not of a high standard.
6. My company does work for principal contractors which is concrete and formwork on many building construction projects. The main clients that I work for are Multiplex, Lend Lease, Wiley, Watpac (in no particular order).
7. I have a current certified agreement with the union and have had a number of EBA's with this union over a number of years.

SHEET 1



CHRIS JONES



Witness

Monday, 2 February 2004

8. I have been satisfied with these certified agreements and they have been negotiated in a manner which is suitable to my business and to my workforce and the market that I work in. I believe the pattern enterprise agreements suits the commercial sector of the building construction industry.

9. It also makes it easier for the principal contractors that I work for in that you can work out your cost structure and your tendering requirements for the work on these projects. However, when it comes to the small end of the commercial market things are a lot different because there is nothing in place in many of these projects and it is very difficult to compete because compliance issues are a major problem in the fact that there are no agreements in place, contractors don't pay workers compensation or superannuation and other rightful entitlements to their employees. I choose to try and keep out of that particular market and working for the main principal contractors as mentioned earlier in my statement.

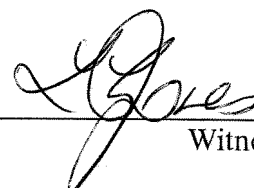
10. The other problem that I see in conjunction with the above is that even on the big commercial projects there are still problems with non-compliance because some competitors in this industry tend to cheat not just their workers but also revenue to State and Federal Government by not paying payroll taxes, workers compensation levies, and other statutory obligations.

11. Safety is paramount to my company and to my workers and I want to make sure they come home to their families each night. I notice that the standards are quite different between what occurs on the bigger commercial sites to when you get down to the smaller end of the market where safety is either disregarded or ignored. My view is that safety should not be comprised whether the project is big or small.

SHEET 2



CHRIS JONES




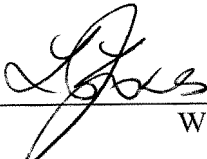
Witness

Monday, 2 February 2004

12. The issue of security of payments is a problem in the industry where it's very much a domino effect where the principal contractor either puts in a price or time schedules for construction that is unrealistic. Then what happens is that they lose money which means that people down the food chain, the contractors and then sometimes the workers get affected by the savage circle where people have to prune back.
13. Also the situation is that sometimes subcontractors end up in a powerless position to be able to resolve their contractual problems, especially when the builder is acting as managing contractor. From my experience these projects are set up to be highly contractual and yet most subcontractors do not have the resources to execute a contract of this nature and so if things go wrong its usually the sub contractor who suffers and not the managing contractor or the client. The catch 22 for the sub contractors is that when they employ sufficient human resources to handle these contracts they become uncompetitive.
14. I have a healthy and strong relationship with the construction unions and have done so for a very long period of time. I am a member of the union myself even though I am the owner of the company. I believe the unions do a lot of good for our industry in respect to making sure that compliance issues are addressed, safety is up to the highest standard, training is high on their agenda, and I see a lot of goodwill and cooperation with my relationship with the union over the years. I feel comfortable in raising any concern or problem that I have with the union especially in recent times with Greg Simcoe, the Secretary of the BLF.
15. I have also been a believer that the best way to resolve problems on jobsites is for the parties to resolve the issues amongst themselves. I believe that parties should be mature enough to resolve their own issues and shouldn't need the intervention of third parties to resolve the issues. I do not have any personal

SHEET 3


CHRIS JONES

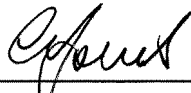

Witness

Monday, 2 February 2004

experience with the Industry Taskforce so I can not comment on its effectiveness in dispute resolution proceedings.

16. This statement is to the best of my knowledge true and correct.

Dated this *2nd* day of *FEBRUARY* 2004



CHRIS JONES

WITNESS: 

SHEET 4



CHRIS JONES



Witness

Monday, 2 February 2004