

# Submission

to

Senate Employment, Workplace Relations and Education  
References Committee

## Building and Construction Industry Inquiry

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**Submission no:** 79

**Received:** 13/02/2004

**Submitter:** Mr Greg Packer  
State Construction Manager

**Organisation:** Walter Construction Group Ltd

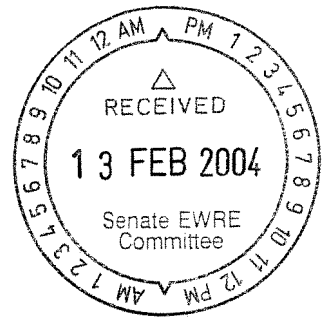
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Mr Greg Packer  
Walter Construction Group Ltd  
Level 3, South Tower  
339 Coronation Drive  
**MILTON QLD 4064**

10<sup>th</sup> February 2004

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

Dear Sir,

Please find attached my submission to the Senate Inquiry for when the public hearings commence on the 24th February.

With best wishes,

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Greg Packer

## STATEMENT OF GREG PACKER

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I, GREG PACKER of Walter Construction Group Ltd of Level 3, South Tower, 339 Coronation Drive, Milton, Queensland state:

1. I am currently the State Construction Manager for Walter Construction and have been in that role for nearly nine years. Before my employment with Walters, I was the State Construction Manager with Leightons for eight years; and before that I was involved in a number of project management and other management roles in the industry for 31 years, 12 of them in New South Wales and 19 in Queensland.
2. The majority of work that Walter Construction does varies from private unit development work and other private work to work for State and Federal Government bodies and Universities. I would say it is split of 20% being private work and the other 80% being Government work.
3. I see a number of issues and structural weaknesses in our industry that I believe the industry needs to address:

*(1) That there is insufficient training and there is a huge skills shortage in our industry to date. For example last year there was 200-300 apprentices that did not take up apprenticeship intakes for the building and construction industry. I believe the working conditions of the industry, including 6 day weeks, is not attractive.*

*(2) Our industry works extremely long hours, it is a hard industry and unfortunately a lot of the problems that are associated is that the clients want the jobs built too quickly in unrealistic timeframes.*

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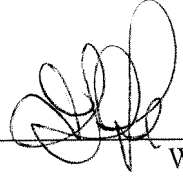
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- (3) *The method of Government, particularly State procurement of projects is an issue that should be addressed more often. Unfortunately our industry has a number of companies that start up too quickly, who only look for a quick dollar and do nothing for the industry. Where procurement looks at issues like health and safety, training, local content and other initiatives used which demonstrate an investment in the industry and to the broader community then a more professional attitude is engendered.*
4. The relationship with the unions has always been one of engagement by myself and the Walter Construction Group in Queensland and it has worked well in Queensland. I believe we receive significant benefits and have good industrial relations on our jobs. We have few industrial problems, and when we do it is usually site management not looking after issues such as occupational health and safety on the jobs. Work hours that are way too long contribute to many problems on construction projects in Queensland.
5. The current industrial arrangements we have with the unions for our projects for a number of years now since the early 1990's has been the Statement of Intent and in recent times the Memorandum of Understanding, which is basically the ethics of industrial relations on our projects, which we believe benefits all parties that we deal with, whether it's contractors, the workers or the unions. We are also in current negotiations with the union to finalise our new round of EBA's and hopefully that will be completed early this year.
6. I have always been of the view that negotiations are better commenced through pattern bargaining and we believe that it suits the requirements for our industry, because in reality the subcontractors will always find out what their mates and competitors are paying. Also pattern bargaining has worked well for our industry because for ourselves we have had little or no lost time on our jobs and I believe

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the negotiation without pattern bargaining would probably create more chaos. Many subcontractors and contractors are not capable of or want to negotiate with the unions and just want to sign a general agreement.

7. I have knowledge of the union's recent application to lift the current Building Construction Award up to the more relevant community standards of the recent EBA's. I personally support the application, that's not necessarily the company's position, but I believe that wages should be similar across the industry because of people skills, capabilities and experience. I also think that workers on smaller fringe type projects and regional areas shouldn't be at a distinct disadvantage because of where they work.
8. The Walter Construction Group, I am proud to say has been very heavily involved in promoting training in various forms on our projects in Queensland for many years now and as a builder we currently engage three apprentices direct which is unusual in our industry for a builder, and we also promote our contractors on our site to engage as many apprentices as possible. For example, at a recent training day which received high media profile at the Brisbane Magistrates Court, which is a State Government project, we, with the assistance of the unions and the State Government were trying to push forward and attract young people into our industry.
9. Our view of labour hire is that our preference has always been to employ people direct. I can see some need for labour hire in busy periods but our desire is not to engage them for extended periods.
10. In respect to the Taskforce, we recently organised a seminar for our project and senior management to find out what the taskforce is all about and how it operates. They were helpful in attending.

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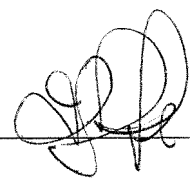
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11. I believe that many companies will try and use the Taskforce to compensate for their management obligations.
12. I am a strong believer in the Industrial Relations Commission at a State and National level to sort out our problems through conciliation. This has worked well over the years. My view and my experience is that legal means to sort out industrial relations is fraught with danger. I believe that management should be able to resolve its problems with the unions and its workers. Really, I am saying that the big-stick approach will not sort out the problem in Queensland. Better education of management would go a long way. On the other hand, after working in Victoria in 2001, I can see the need for such an organization in Victoria.
13. What disappointed me was that when the Federal Government put the new proposed laws for the building construction industry into the Parliament. It disturbed me that they said the industry is full of lawlessness and inappropriate activities. I personally reject that view because I have been in the industry for over 30 years and have seen no significant real evidence of management or unions involved in criminal or illegal activities. Our industry is no different to other industries, the police force, or judiciary in that our industry makes up a cross-section of society. We reflect the good and bad of our society and I am pleased to say that the good predominates in our industry and if there is a problem, I would say it is very insignificant – I am speaking of the Queensland industry.
14. I believe and support that the unions have a major and important role to play in our industry, especially in areas of wage and safety compliance, If we go from the New Zealand experience, where the unions there are weak or non-existent, there is a problem in that the industry has no apprentices, no training, is highly underpaid, low motivated workforce, and a lack of skilled labour. To me, what

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this highlights is that a good union gives good stability to our industry and maintain skills.

15. Also, for example, my direct involvement as a Director of the BERT scheme, which is Building Employees Redundancy Trust, has highlighted that the unions have pushed to invest in our industry where surplus monies have existed from the fund. It has been directed into training areas, which have received significant support and praise from employers and builders. Without this significant initiative by the union, some of the skills shortages that we have currently would be significantly greater.

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

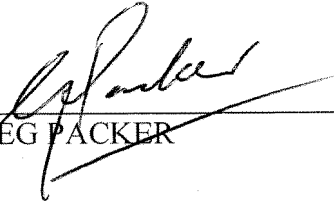
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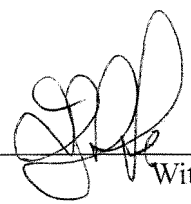
  
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