

# Submission

to

Senate Employment, Workplace Relations and Education  
References Committee

## **Building and Construction Industry Inquiry**

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**Submission no:** 111

**Received:** 22/03/2004

**Submitter:** Mr Godfrey Smith  
Managing Director

**Organisation:** Structural Concrete Industries Pty Ltd

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12 March 2004

Mr John Carter  
Secretary  
Senate Employment, Workplace Relations and Education References Committee  
Suite SG.52  
Parliament House  
**CANBERRA ACT 2600**

Dear Sir

**Re: Building and Construction Industry Improvement Bill 2003**

We refer to the above proposed Bill and submit the following

- This company supports reform in the building and construction industries
- This company was in favour of the establishment of the Cole Royal Commission in 2001
- This company was in favour of the establishment of the interim building task force which followed the first report of the Cole Royal Commission in 2002
- This company opposes, however, the broad definition of **building work** proposed in Section 5 and in particular we are opposed to the proposed definition in Section 5(d) (iv) which includes "the prefabrication of made-to-order components to form part of any building, structure or works, whether carried out on-site or off-site".

This company is engaged in the manufacture of precast, prestressed concrete components for use in civil engineering structures such as bridges, wharves and the like. These components are all made to order in a specifically designed and dedicated factory within an industrial area in the Lake Macquarie municipality of NSW.

We are highly regarded as specialists in our field and are praised for the extensiveness and sophistication of our manufacturing plant which employs in excess of 60 skilled engineers and factory operatives.

The precast concrete industry is a stable and mature industry noted for its industrial stability. The industry has been appropriately serviced by industrial awards (both Federal and State) for many years. These awards address the issues relating to a factory based manufacturing industry.

Lic. No. 10669  
ISO 9001



Our factories provide stable environments for our employees who have permanent employee status. Many of our employees have been with the company for up to 25 years.

There have been instances of instability in Victoria, South Australia and Western Australia where inter-union conflict has sought to gain building industry union coverage in an industry where such coverage is totally inappropriate. This conflict has led to severe reduction in productivity and increased costs as factories are forced to shut down for RDO's and to adopt other inappropriate building site type conditions such as travelling and site allowances – such conditions being quite unrelated to stable employment in a stable fixed-location factory environment. We seek to ensure that these instances are not repeated.

Our real concern is that the proposed inclusion of the precast industry under the above definition will expose our industry to inappropriate action by aggressive building unions and create a situation of instability in our industry in general – the very thing that the Cole Royal Commission report and recommendations sought to avert and eliminate.

**We seek your strongest consideration to effect amendment to the definition within the draft legislation in the terms recommended on Pages 32 and 33 of the *Australian Industry Group's Submission to the Senate Committee*.**

Yours faithfully

**Structural Concrete Industries (Aust) Pty Ltd**



GFA Smith  
Managing Director