



## Submission

to

Senate Employment, Workplace Relations and Education  
Legislation Committee

### **Inquiry into the provisions of the OHS and SRC Legislation Amendment Bill 2005**

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1. For the reasons set out below, the CFMEU Construction and General Division [CFMEU] opposes the Bill presently before this Committee.
2. The building and construction industry is one of the most dangerous industries in the country. Construction workers are more than twice as likely to be killed at work than the all industries Australian average and the incidence of serious injury is about 50% higher than the all industries Australian average.
2. According to figures of the former National Occupational Health and Safety Commission, the construction industry accounted for 13% of all fatalities and 9.2% of all injuries over the six years to June 2000 (an average of 49 deaths and 14,286 injuries pa).<sup>1</sup>
3. Coupled with its poor occupational health and safety record, there exists an ongoing problem of avoidance of proper levels of workers' compensation insurance. Many employers are consciously under-declaring the size of their workforce to minimise insurance costs. Consequently there exists a looming crisis in terms of maintaining an adequate pool of funds to properly compensate those in the industry who suffer a workplace accident or injury.
4. The full extent of this problem was made known to the Commonwealth through submissions by the CFMEU to the Cole Royal Commission. Those submissions were largely ignored by the Royal Commission and the Commonwealth has done nothing to address these problems during or since that inquiry. The proposed legislation

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<sup>1</sup> See also "*Workplace Relations Ministers' Council , Comparative Performance Monitoring*" Report DEWR August 2003, [www.workplace.gov.au](http://www.workplace.gov.au)

will compound this problem as many larger national contractors and major contributors to the state “pools” take advantage of the changes to leave state systems and enter the more lax federal regime.

5. Further, the system of self-regulation and voluntary compliance that these changes envisage will only reduce OH&S standards in the construction industry. That will directly translate into more injuries and fatalities.
6. As the ACTU submission points out, even the Cole Royal Commission observed that it is the prospect of workplace inspection, prosecution and financial and other penalties that has a strong positive influence on OH&S practices and compliance. None of those will follow as a result of these amendments.
7. The CFMEU adopts and endorses the submission of the ACTU to this Committee.
8. The OH&S and SRC Legislation Amendment Bill 2005 should be rejected.

24 March, 2006.