

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION, STRIKE AND MARCH

Matter of Public Interest

THE DEPUTY SPEAKER (Ms Guise): Today I received a letter from the Leader of the Opposition seeking to debate as a matter of public interest the following motion -

That this House condemns the actions of the CFMEU yesterday as not in the interest of its members, not in the interest of the building and construction industry and clearly damaging to the Western Australian economy.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The DEPUTY SPEAKER: The matter shall proceed on the usual basis.

MR BARNETT (Cottesloe - Leader of the Opposition) [3.02 pm]: I move the motion. Yesterday, according to reports, some 1 500 building industry workers assembled near Parliament House and marched to the site where the royal commission into the building industry was being held. Perhaps 1 500 was a generous description. Having seen the group assembled near Parliament, my assessment was that there were more likely 700 or 800 at the most; maybe that number was added to as the march proceeded down St Georges Terrace. What is not in question is that eight major central business district construction sites were disrupted, and a further 25 other sites around Western Australia, particularly in the Perth area, were also disrupted, including the convention centre, which is quickly becoming a focal point for industrial relations in this State.

The motives for this strike were purely political. The strike was not about pay and conditions; it was in every respect a political strike. Why did the Construction, Forestry, Mining and Energy Union take the trouble to stop work and organise a rally to march down St Georges Terrace to the royal commission? What do Kevin Reynolds and his mates object to in the royal commission? I will not read out the terms of reference for the royal commission, but the second one relates to an examination of the practices in the building industry that may include fraud, corruption, collusion, anti-competitive behaviour, coercion, violence and inappropriate payments, receipts or benefits. Is the CFMEU concerned about those problems? Is that why its members stopped work? Are they worried about fraud and coercion? Why would they have anything to fear from the royal commission unless there were examples of fraud, of inappropriate payments, of coercion or of violence on industrial sites? If there is truth to the allegations, why would this Parliament not want to see those allegations investigated and aired appropriately and action taken?

Dr Gallop: Why are you opposed, therefore, to the royal commission into the Police Service? Serious allegations have been made and you are opposed to their proper investigation by the royal commission into the Police Service.

Mr BARNETT: Sorry; we are talking about industrial relations. Allegations should be investigated. We do not need a \$30 million, \$40 million or \$50 million royal commission into the Police Service to do that.

Dr Gallop: Yes, you do.

Mr BARNETT: Let us talk about why the Premier and the minister are compliant and weak about the intimidation and industrial action that takes place on building sites in this State. Since the election of the Gallop Government in February last year, the Building and Construction Industry Taskforce has been removed and we immediately saw industrial disputes on building sites and the start of threats and intimidation. It was a watershed. No ticket, no start signs went up at all major building sites across the metropolitan area. The minister said he was powerless to act and that those signs did not contravene rights of association. At one stage, the minister referred to them as advertising. That is an extraordinary attitude for a minister of the Crown.

Dr Gallop: What would you have done?

Mr BARNETT: They were not there. As soon as the Government changed, the no ticket, no start signs went up and closed industrial workplaces were re-enacted. The Construction, Forestry, Mining and Energy Union sent hit squads to about 30 industrial sites to enforce compulsory unionism. Immediately the Government changed, the union established a presence at every site. Workers were prevented from entering one West Perth site, glue was poured over gate locks and construction was halted. Similar incidents occurred at other sites. Seven vehicles full of union representatives turned up unannounced at a BGC Construction site in Nedlands. It was direct intimidation with the aim of making that site a closed workplace. The Water Corporation project at Woodman Point was also targeted by the hit squads, as was the Mayfair Apartments site in West Perth.

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

Joe McDonald was in the midst of it. The Western Australian Industrial Relations Commission banned him from visiting sites for 12 months. He has continued to go to sites and intimidate employers, contractors, subcontractors and workers who are not members of the union. This Government has done absolutely nothing. Workers at the Burswood Resort Casino construction site were on strike for 32 days over a six-month period. That sort of industrial statistic reflects the experiences of the 1970s and early 1980s. In every sense, we are back to the dark days of industrial relations.

Mr McRae: You were in government.

Mr BARNETT: They were bad days. Both the Liberal and Labor Parties were in government during that time. The point is that the 1970s and early 1980s were the dark days of industrial unrest. The weaknesses of those days were removed during the 1990s, and we experienced relative industrial calm and cooperation among the work force. As soon as the Government changed, we saw a return to intimidation, hit squads entering building sites, and no ticket, no start. The hapless, weak Government let it happen, just as it let the strike happen yesterday. The list of sites at which workers faced intimidation goes on, and such intimidation still continues on almost a daily basis. Even the WACA Ground site was targeted.

Why does it happen? We all know that the Labor Party is essentially controlled by the unions under the 60-40 rule. According to the labour relations minister, the Government is powerless to act against the unions. It is not powerless; it is unwilling to act. There is a difference. Powers are available to the Government, although they can sometimes be difficult to use. This Government makes no attempt to use any of the powers available to it to prevent that sort of industrial disruption. It sits back and says that it is powerless and lets it happen. I have no doubt that half the government members of Parliament were cheering on the union. The many members opposite who have backgrounds in the union movement include the Treasurer, the Minister for State Development, the Attorney General, the Minister for Community Development, the members for Cockburn, Geraldton, Innaloo, Perth, Eyre, Mandurah, Peel, Collie and Joondalup, plus a significant number of Legislative Council members. Over half the Labor Party members -

Points of Order

Mr McRAE: I was a convener of the Electrical Trades Union of Workers of Western Australia at a BHP site at Mt Whaleback during the early part of the 1980s, and an adviser to the industrial relations minister during the latter part of that decade. The Leader of the Opposition omitted me from his list.

Mr JOHNSON: That was more of a personal explanation than a point of order. We all know the history of the member for Riverton. There is no point of order whatsoever. The Leader of the Opposition was pointing out that the vast majority of members opposite have had or continue to have associations with unions. Many government members are former shop stewards, union workers and so forth. There is no point of order. The member for Riverton is again wasting this Parliament's time by giving a personal explanation.

The DEPUTY SPEAKER: There is no point of order. I am sure the Leader of the Opposition will take the member's comments on board and include him in his list, if that was the intent.

Debate Resumed

Mr BARNETT: There was no point of order. Indeed, the member for Riverton attempted to misuse the standing orders of Parliament to interrupt the debate. If the member opposite wishes to speak, I will be delighted to hear from him. I invite the member to speak on this debate. Will the member speak to it?

Mr McRae: I will wait to hear whatever other half-truths you present.

Mr BARNETT: Yesterday, a union known for its intimidation, threats, disruption and coercion took industrial action not for industrial reasons but for purely political reasons. During the time this royal commission has been under way, the media has been full of reports of that type. The leader of the strike was involved in meetings at Parliament House last week. The links between the Construction, Forestry, Mining and Energy Union and the Labor Party go beyond funding links. It is evident that there are direct personal relationships between the participants. This compliant Government took no action and made no attempt to intervene in the dispute.

Yesterday's strike action was illegal because no pre-strike ballot was taken. Members opposite might ask what I did in government. A pre-strike ballot gives union members on a work site, or multiple work sites affected, the opportunity to vote on whether to strike. That provision was introduced in legislation in 1997. There were cases prior to 1997 in which pre-strike ballots should have been held, but the law did not require it. However, since 1997, legislation has required pre-strike ballots to be taken. It is very significant that post-1997 there was a great drop in the number of industrial disputes. That occurred because union leaders knew that in most cases if union members and the workers on a site voted in a properly constituted ballot, the workers would vote not to strike. The union would then have been forced by the ballot to act in the interests, and according to the wishes, of the

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

workers. However, that did not happen yesterday. The workers did not have a say. They were told that the sites would close down and they should go on strike and march on the royal commission. I estimate that only 600 or 700 workers turned up to the rally. The rest of the workers were not impressed with the union taking industrial action, with the support of the Labor Government, which cost the workers a day's pay and caused disruption to projects that will inevitably lead to a loss of confidence in the building industry.

Mr Logan: Are they covered by state or federal agreements?

Mr BARNETT: I thank the member for Cockburn for that interjection. Under the federal law and the industrial prohibition, industrial action by an employer or organisation of employees, subject to a certified agreement or an Australian workplace agreement, is prohibited during the period of that agreement's operation after it has been certified by the Australian Industrial Relations Commission and so on. The unions are required to give notification of industrial action; however, that requirement was ignored yesterday. The Government did not enforce the existing state law and the requirements for notification were not followed. The Government weakly sat by and said that it was powerless to act. The Minister for Consumer and Employment Protection is too weak to uphold the secret ballot provision in the Industrial Relations Act. The secret ballot provision exists and could have been used.

Mr Kobelke: How?

Mr BARNETT: Penalties are attached to it for a start.

Mr Kobelke: How can you use it before the event?

Mr BARNETT: Will the Government impose the penalties today? The Premier can act, but he has no backbone; he is not willing to take on Kevin Reynolds. The Premier will not make a public statement on this issue. Instead, he tamely sits back and allows disruption, intimidation and threats to take place. On a weekly basis, the Premier and the Minister for Consumer and Employment Protection allow threats, intimidation, violence and coercion to take place on building sites. It has happened week in and week out since this Government was elected. The Premier and the minister have failed to take any action whatsoever.

The new industrial relations legislation provides no sanctions to stop the sort of behaviour that took place yesterday. The minister and the weak Premier, who is terrified out of his socks, are unable and unwilling to stand up in any way to Kevin Reynolds and his mates.

MRS EDWARDES (Kingsley) [3.14 pm]: I am pleased to support the motion and add to the debate. It is a simple fact that yesterday's strike was a direct result of not only the Gallop Labor Government's inaction but also its actions over the past 12 months. The first action of this Government when it came to power was to abolish the Building and Construction Industry Taskforce. Since then we have seen an increased level of militancy on building sites, particularly on sites in the central business district. The *Sunday Times* reported my comments that scrapping the task force, as Dr Gallop planned to do, would return the construction industry to the bad old days of standover tactics, strong-arm intimidation and coercion. That is precisely what has happened on building sites since the Australian Labor Party came into government.

The Labor Government has turned a blind eye to no ticket, no start signs. The Minister for Consumer and Employment Protection referred to the signs as poor advertising. The minister said he had legal advice that he could take no action, although we have not seen this legal advice. The minister has turned a blind eye to the restrictive practice of stopping non-union contractors going onto those sites, which is in total contravention of federal and state freedom of association laws. The minister has allowed an increased level of militancy on all building and construction sites. The Government abolished the Building and Construction Industry Taskforce at the behest of the unions. The unions hated the task force. They claimed that its activities were anti-union, yet the statistics do not bear that out. They demonstrate an equal level of action against employers and union organisations and officials. I have presented those statistics to this House on a previous occasion.

On 26 February 1999 the State Secretary of the Construction, Forestry, Mining and Energy Union, Kevin Reynolds, grizzled that I was spending taxpayers' money on a witch-hunt; he was referring to expenditure on the task force. The then Assistant Secretary of the Trades and Labour Council, Stephanie Mayman, said that the council was outraged over the retention of the task force. The Building and Construction Industry Taskforce did an effective job in ensuring that disputes were resolved and took action when state laws were breached. Members of the task force also had special constable powers.

One of the key differences between the task force and the inspectorate that the Government has put in place is the powers of the inspectorate. The inspectorate has nowhere near the powers of those the task force had, and neither does it work with a Government that is committed to ensuring that work continues on building sites when a dispute exists. Also, disputes often start at six o'clock in the morning, when public servants in the inspectorate

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

have not started work. A comparison of the work of the task force with that of the inspectorate indicates the inspectorate has been completely inactive.

The Labour Relations Reform Bill clearly promotes union power on work sites, even on sites that have no union members, and removes the power of industrial commissioners to order a return to work. The Bill removes not only the protected action and pre-strike ballot provisions but also the power of the industrial commissioners to order a return to work. One must ask why the Government is weakening the commissioners' power, so that we will have more of what we saw yesterday. Members opposite have asked why the coalition Government did not take this action under the pre-strike ballot provision. The statistics show that industrial action under the coalition Government was more than halved from the time the previous Labor Government was in power. When Labor is in power there is a significant increase in industrial action.

Several government members: Rubbish!

Mrs EDWARDES: The statistics speak for themselves. By turning a blind eye to the no ticket, no start signs, getting rid of the Building and Construction Industry Taskforce, and ensuring that the Labour Relations Reform Bill will give the unions a Gallop-given right to do anything it wants, the Labor Government is sending a clear message to unions to go for it! The Government is saying that it does not want to know anything about any action and will continue to turn a blind eye. It is saying that if there is action, the unions can go to the Industrial Relations Commission. The power to order a return to work has been removed. I wonder why. The CFMEU, the bad boys of the union movement, get rewarded. The last appointment to the Industrial Relations Commission was a former CFMEU industrial relations adviser, Jennifer Harrison.

Dr Gallop: What are you saying?

Mrs EDWARDES: The perception of all these actions and inactions add up to one big picture.

Dr Gallop: Are you saying that she is not a person of merit?

Mrs EDWARDES: I am talking about perception. A former CFMEU industrial relations adviser was appointed to the commission when the commission's powers were reduced in the area of ordering a return to work and weakened elsewhere.

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr Omodei interjected.

The DEPUTY SPEAKER: Order, member for Warren-Blackwood!

Mrs EDWARDES: A former Builders Labourers, Painters and Plasterers Union adviser is employed in the minister's office. Does that give members any indication of the advice that the minister might be receiving and of his prevarication on the decision on whether yesterday's strike was lawful or unlawful? The minister said on Liam Bartlett's radio program that the strike was clearly lawful. Later on during the day his position changed somewhat when he said that in any event he had no powers to deal with it. The minister's saying that he could not do anything about it can be read as his saying that he would not do anything about it. Quite clearly the powers are there.

Mr Kobelke: Which powers?

Mrs EDWARDES: I will get to that. I can give the minister the information.

Quite clearly the unions are the masters of the Government. We have seen that time and again in the unions' threat to withdraw funds and their actions to which the Government has turned a blind eye. I could give instances of the increased level of militancy, some of which the Leader of the Opposition has raised. He did not raise the instance of the seven carloads of unionists turning up within seven days of the Labor Government coming into power. One might ask, who is controlling industrial relations in Western Australia - the minister or the unions in the building and construction industry? I would suggest that it is quite clear that the unions are the masters.

Mr Barnett: It is Kevin Reynolds, with Brian Burke helping him.

Mrs EDWARDES: Kevin Reynolds said yesterday that the unions have a right to protest. The industrial action was identified quite clearly as political. In 1997, before the laws on pre-strike ballots, political donations and union deductions were removed by legislation that passed through this House, the Construction, Forestry, Mining and Energy Union and the Communications, Electrical and Plumbing Union took part in increased industrial activity. It was quite clear at the time that the activity was political. An action was taken to the

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

Federal Court, because at that site those industrial relations matters were dealt with under federal arrangements. The question asked was whether political activity was within the definition of a strike. The court held in the first instance, and its decision was upheld on appeal, that clearly it was not; it was a strike. I would suggest that although that was in the federal arena, a court looking at the state legislation would make a similar finding.

What provisions are in the Industrial Relations Act? Quite clearly the minister does not have time to go through them. He is a very busy person and relies on advice. If he looked at the state provisions in sections 97 to 97M, he would find that they provide for pre-strike ballots before a strike is held. I will go through the definition of a strike in a minute. Some of the building sites are obviously under federal jurisdiction. The federal provisions are covered by sections 170MK to 170MU. Under the federal provisions, there is protected strike action only when the parties are involved in negotiating terms and conditions and only after there has been a genuine attempt to reach agreement with the employer. Under state legislation, a strike is defined as a stoppage. There are some exclusions from the definition of a strike -

- (a) a ban or limitation on the performance of work by employees -
 - (i) that preserves the status quo;

That is, it preserves an existing employment condition, and -

- (ii) that is permitted under, and carried out in accordance with, relevant dispute resolution procedures;

I have checked most of the EBAs and quite clearly, it is not -

- (b) a ban or limitation on the performance of work by employees - . . .
 - (ii) that is undertaken for a period that does not exceed 48 hours;

These points must be considered together, and -

- (iii) in respect of which neither conciliation proceedings nor a hearing have commenced before the Commission;
- or
- (c) an employee's refusal to work if that employee has reasonable grounds, as determined under section 26 of the Occupational Safety and Health Act 1984 . . .

It applies also to a stop-work meeting when it can be regarded as reasonable. It is excluded unless it is unreasonable. No-one could argue that yesterday's action was a stop-work meeting. It took more than four hours; it went for the whole day. The legislation would determine yesterday's action as a strike. Therefore, the pre-strike provisions ought to prevail. Under the provisions of section 97F(3), which deals with the holding of a pre-strike ballot -

If the minister is of the opinion that a form of strike is contemplated by members of an organization of employees -

That is, in advance. It is clear that the minister was advised in advance. I have copies of letters from builders written directly to the minister, a copy of which went to the Leader of the Opposition. It continues -

or by any section or class of its members, and that the safety, health, welfare or economic well-being of the community or a part of it will be at risk if the strike occurs, the Minister may issue a certificate declaring that it is in the public interest that a pre-strike ballot be held, and that certificate shall be conclusive evidence for the purpose of subsection (2)(c) that it is in the public interest that the ballot be held.

Under section 97F(4) the commission has the power to do the same. It does not have to do it on an application by anyone else. The power exists. The minister said that the previous Liberal Government did not use legal channels to pursue unions when they went on strike. That shows the real ineptitude of the minister. Just because we did not do it, he will not? What sort of an answer is that? We did not need it as the number of strikes reduced under the previous Government. The previous Government had the building industry task force to work on these issues. This is an absolute nonsense. It is clear that it was not a protected action or about pay and conditions or safety. It is clearly part of a political agenda. This Government will never take any action; it is not willing to take any action against union members. Businesses, workers and families lost money yesterday. Confidence in the Western Australian economy was lost. All in all, the minister sat on his hands. It did not do the union any good. If the union were serious about protecting its members, it would support the royal commission.

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

MR KOBELKE (Nollamara - Minister for Consumer and Employment Protection) [3.28 pm]: We have heard from the Opposition a classic example of why a Labor Government is needed to fix industrial relations in this State. The Opposition may be surprised to know that the Government basically agrees with the motion. Did the Leader of the Opposition hear me? We have listened to a debate that indicates the total misunderstanding of industrial relations by members opposite. For them, industrial relations is a political football for them to kick around and from which to get some advantage. They have no understanding of it and no desire to understand it or to create good industrial relations.

I will address some of the matters raised by members opposite. We on this side of the House do not shrink from our association with the union movement. The Labor Party grew out of the union movement. The association between unions that represent people and fight for their interests and the Labor Party is a strength of the Labor Party, and knowing what really affects the lives of the working men and women of this State is a good grounding for membership of the Labor Party. The association is a close one and we do not resile from it. Democratic institutions make mistakes, unlike the Liberal Party that never makes a mistake! However, when the unions make a mistake or something is done with which people are not happy, the Opposition blames the Government. Is the Opposition responsible for Michael Brazier?

Several members interjected.

Mr KOBELKE: Intimidations and threats; that is what the Opposition likes to talk about. Real thuggery was referred to in *The West Australian* a couple of years ago. According to *The West Australian*, someone admitted to being an armed standover merchant in a gangster-style attack on a millionaire lawyer. That person got four and a half years jail after he pleaded guilty to extortion and assault. Then Premier Court said, "We had better expel him from the Liberal Party; he is clearly a thug." He was the Swan division president of the Liberal Party!

Ms Sue Walker interjected.

Mr KOBELKE: That was an example of a thug in the Liberal Party. Have we said that, because he was a thug, all members of the Liberal Party are thugs? No, we have not. We respect the truth, which is not what members opposite have done in industrial relations issues. There may be a thug in a particular union - I do not deny one or two arise occasionally - but members opposite want to tar them all with the same brush. We could do the same with members of the Opposition by saying they are all colleagues of Brazier. However, that would have as much truth about it as does the Opposition's accusations against the union.

Several members interjected.

Mr KOBELKE: The Government's tarring members opposite with the same brush as Brazier because of their association with him is exactly the same as the Opposition attacking the Labor Party because there are thugs in the union movement. Occasionally, people who take no responsibility for their actions pop up in the union movement, and I totally reject their behaviour. The actions of those people should not devalue the important and good work that the union movement does, and members opposite will not come to grips with that.

The Leader of the Opposition claimed we supported the action by the Construction, Forestry, Mining and Energy Union yesterday. We did not support that action. I spoke against the action on television and in the media on Friday and over the weekend. The Opposition's motion paraphrases some of the things I said to the media; I made it very clear that the Government did not support that form of industrial disputation as a way of making a political protest. However, we allow unions, as we allow other groups in our society, to make political protests. We are not in the business of trying to shut people up, as did the Liberal Government years ago with its amendments to the Police Act, which made it an offence for four or more people to gather on a street corner without a permit. Clearly, the Opposition does not believe in a free political system in which we try to encourage democracy; this Government does. The unions, like all groups, have the right to take political action. As much as I might disagree with it, they have that right. However, the question is whether we could have done something to stop the action.

The member for Kingsley said that we should have used the previous Government's pre-strike ballot provisions to prevent the action. There were scores, if not hundreds, of strikes under the previous Government, and it did not think it was appropriate to use that legislation on any of those occasions. However, it is suggesting that somehow this Government is remiss because it did not charge in and apply that legislation! It is hypocritical of members opposite to suggest, now that they are in Opposition, that we should use it.

Mr Barnett: That is the law.

Mr KOBELKE: If that is the law, why did ministers in the previous Government not apply it?

Mr Barnett: Give us an example of a situation?

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

Mr KOBELKE: There were umpteen dozen strikes on the belltower construction site in 2000. Why did the previous Government not apply the pre-strike ballot law then? There were also umpteen dozen strikes on the Narrows Bridge construction site in 2000 that caused days and days of delays. Why was the provision not used then?

Mrs Edwardes: Was it a federal issue?

Mr KOBELKE: We can see from that how flimsy and hopeless the Opposition is. It does not want to understand the industrial relations issue. It is no more than a political football for members opposite. The Opposition is not interested in fixing things. It makes these grand claims that are without any substance. The Industrial Relations Act does not expressly prohibit strike action. If the minister thinks that a strike is likely to take place, the minister could start the wheels turning to initiate the ridiculous pre-strike ballot process, as suggested by the member for Kingsley, from which other processes would flow. If there is a strike, there are consequences. I repeat: the state Industrial Relations Act does not expressly prohibit strike action. It provides for a range of actions to be taken to provide relief and to impose penalties if people do not follow certain procedures.

Mrs Edwardes: It does prohibit strike action unless under a certain circumstance.

Mr KOBELKE: Can the member for Kingsley find me one section of the Industrial Relations Act that expressly prohibits strike action?

Mrs Edwardes: Unless you do certain things, it is not a protected action.

Mr KOBELKE: It does not expressly prohibit strike action. It puts in place a range of complex procedures on which a judgment is made about whether they might be effective. There were dozens, if not hundreds, of strikes when the Opposition was in government, and not once did it judge it appropriate to use the pre-strike ballot provision in the legislation. That is what the Opposition thought of that provision. Funnily, for an Opposition that does not have a care or a responsibility now that it is not in government any more, it now says that the provision is a panacea for all the industrial relations problems that exist in this State! It simply is not.

Mrs Edwardes: Just say that you have got the powers, but you do not wish to use them.

Mr KOBELKE: What powers?

Mrs Edwardes: You have got the powers to take action and you do not want to use them.

Mr KOBELKE: Why did the member not use them in government?

Mrs Edwardes: Why can you not be honest and say you do not wish to use the powers?

Mr KOBELKE: Why were the powers not used when the member for Kingsley was the minister and there were umpteen dozen strikes?

Mrs Edwardes: It was a different issue.

Mr KOBELKE: The point is that it is very easy for the Opposition, as it regularly does, to make pie-in-the-sky claims based on a slither of information that is totally out of keeping with the complexity of the issue and put up a simple solution. It is not the answer. The previous Government did not use those provisions, which is why it is not an effective way to go. As the Opposition is already aware, the pre-strike ballot provision is such hopeless legislation that we are removing it from the statute books. It did not serve any interests when members opposite were in government and we do not think it will serve any interests while we are in government, and we will remove it from the statute books.

We have cooperated fully with the Cole royal commission. We have spent a fair amount of money on preparing the documents that the royal commission has sought and ensuring that they are available. Officers are being subpoenaed on the basis that they could be questioned about confidential issues, in the same way as did the Temby royal commission. To ensure that there is no contravention of state Acts, subpoenaing these officers means that they must answer all questions asked by the commission fully and openly and not be inhibited in any way. I am not suggesting that the royal commission was established in a party-political manner. I sat alongside Minister Abbott at a ministerial council meeting in Sydney. While we went through the agenda, he did not mention any desire on his part to instigate a royal commission, based on the Hamburger report that he then had. However, he went straight outside the meeting and started to talk up a royal commission to the media. So much for trying to do a deal on real issues facing the building industry! When a royal commission is set up on such a politically biased basis, is it any wonder that people start to question whether it is proper or fair? This Government has supported the establishment of the royal commission, and has put aside the blunderings of Abbott in laying down the terms of reference and his failure to consult. We agree that there are issues in the

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

building industry that should be properly addressed and we will cooperate fully with the Cole royal commission in its addressing of the substantive issues.

Mr Barnett: Why aren't you dealing with the incidents on building sites that have been happening consistently? What action have you as minister taken on those sites? None.

Mr KOBELKE: Those things were happening when the Leader of the Opposition was in government. They are possibly still happening. We have asked people to come forward. We have established the Building Industry and Special Projects Inspectorate - BISPI - in which inspectors visit work sites and note complaints. If complainants persist with their complaints, charges will be laid; however, that is a matter for them. I am not like former Minister Kierath who came into this Parliament heralding possible prosecutions. That was not his right nor was it the proper thing to do before complaints were initiated.

Dr Gallop: Does the Leader of the Opposition agree with that behaviour?

Mr Barnett: If the Premier wants to bring up the *Hansard* record, we can debate that.

Mr KOBELKE: I understand that complaints have been made. I have let those complaints go through the proper process; I do not become involved in that process. Time will tell whether that process will hang together. An inspectorate has been tasked to get on with the job of ensuring that we have the best possible relations in the building and construction industry. We have reviewed the code of conduct and expanded it widely. We have considered establishing mediators to help with low-level issues before they become major issues. A range of initiatives is available to address issues in the building and construction industry.

I acknowledge the change when we came into government. The Opposition was totally wrong about the number of industrial disputations that had occurred in the past. That number was falling sharply well before the pre-strike ballot was introduced. The Leader of the Opposition cannot make a case of any substance. Industrial disputations were driven down by the federal approach and I accept that they were driven down further by the Opposition's election in 1993. They are now at a very low level and throughout our first year of government they stayed at that low level.

Mr Barnett: Don't delude yourself. Talk to builders and people who work on building sites. You are absolutely delusional if you don't think there is an increase in industrial activity on building sites.

Mr KOBELKE: The Leader of the Opposition should let me finish. The fact is that the level of industrial disputation has not risen. I acknowledge that there has been a change since the election that was like the valve of a pressure cooker coming off. The former Government played politics with the industry and made no attempt to get the parties working together. Now there must be a realignment of that situation, which realignment is causing tensions and which, I admit, I find very difficult. This Government wants to establish industrial relations on a workable basis. A Government cannot go on backing people into corners and taking an antagonistic "us and them" approach. That was the Opposition's approach when it was in government. That approach cannot go on forever.

This Government is seeking a realignment of industrial relations to establish a fairer and more cooperative approach. Some players on both sides are having difficulty with that approach and want to act out an "us and them" situation. We want to change that, but it is not easy. It must be done through a process that respects the rights of all parties. The Opposition did not do that. There has been a change in the approach of some people but when that approach goes beyond the law, the law will be clearly applied.

I have some difficulty with the wording of the motion before us, which, in part, reads -

This House condemns the actions of the CFMEU yesterday as not in the interest of its members . . .

We would not condemn any group, including the Construction, Forestry, Mining and Energy Union, for taking political action. However, we condemn the industrial disruption that flowed from that action. That is what I did on the weekend and this side of the House will again be willing to condemn that action.

Amendment to Motion

Mr KOBELKE: I move -

To delete all words up to "CFMEU" and substitute -

This House, while recognising that all individuals and groups have the right to political protest, condemns the disruption to industry by the

The motion, as amended, will read -

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

This House, while recognising that all individuals and groups have the right to political protest, condemns the disruption to industry by the CFMEU yesterday as not in the interest of its members, not in the interest of the building and construction industry and is clearly damaging to the Western Australian economy.

The proposed amendment recognises that all groups have a right to take political action and that they must take responsibility for those actions. What occurred yesterday was clearly damaging to industry. It is my view - it may not be the view of members - that the workers involved were also disadvantaged. However, if they decide to take that pain and pay that price for a political protest, they have the right to do that. However, it is not in the State's interest, when many projects are ready to go and there is much interest in new projects, to have the media interest that surrounded that event. It is negative and will hinder the potential investment by foreign investors in this State.

Mr Johnson: Does your amendment not condemn the CFMEU?

Mr KOBELKE: The member can read the amendment.

DR GALLOP (Victoria Park - Premier) [3.45 pm]: I support the minister and will say two things about industrial relations. The first concerns the system we inherited when we came to government. It is always interesting to debate these issues and to compare the situation today with the imagination of the Opposition. The real contrast that must be drawn is between what would have happened if the Liberal and National Parties had been re-elected in Western Australia and what has happened under the new Labor Government.

The system of labour laws that we inherited and the culture that underpinned those labour laws were unsustainable. The Minister for Consumer and Employment Protection, in his speech just delivered, outlined that clearly. It simply was not a system that could have lasted into the future. If the Opposition had been re-elected, Western Australia would have had major problems sustaining the system established by the former conservative minister because it created two sets of standards: one set based on award conditions and another based on the so-called minimum conditions. Those two sets of standards undermined the level playing field in industrial relations and created anomalies throughout the system. The Government of Western Australia is an employer and we are trying to work through all of the anomalies that were created in the public sector by the previous Government's system. The system created division, resentment, conflict and inefficiency and was unsustainable. If the Opposition had been re-elected, it would have had to deal with that problem in the public sector.

The second level of unsustainability related to the discrimination allowed by the legislation. The system discriminated against individuals who were forced against their will into workplace agreements. The discrimination forced them into conditions that were intolerable according to the standards we have set today. I congratulate UnionsWA for the way in which it illustrated that discrimination recently in the campaigns it conducted through the media. Organisations were also discriminated against.

There is no doubt that there are awkward elements to living in a free society, one being that we do not all agree with each other. Local governments might have a view on an issue that is opposed to the State Government's view. Societies have formed in our community that have views different from those of other societies. Trade unions are voluntary associations of people which from time to time in a free society create awkward situations. If we genuinely believe in a free and democratic society, we must allow people to freely associate. However, I have made it clear that freedom of association carries with it responsibilities.

I repeat the point that a lot of discontent about industrial relations was rumbling away in our community at the time of the last election. Members opposite imagine that the discontent was not there. However, they were not moving around the community visiting work sites as we were, talking to real, individual workers. The feedback we got was that the industrial relations system was not sustainable. We therefore came into the Parliament with our legislation to restore the balance. The Minister for Consumer and Employment Protection made it clear that that is what we are doing; we are restoring the balance and bringing commonsense back to the situation. In their imagination, members opposite might have thought that what they had established was a system for the future, but what they established was unsustainable.

For years the building industry has presented problems to Governments and to participants in the industry because of the way the industry operates and the elements that make it up. Vigorous competition in the industry has resulted in many employers breaking the rules, trying to cut corners in occupational health and safety and ignoring the rights and interests of their employees. That is going on all the time. It is a vigorous and robust industry. The union aspect also is vigorous. Western Australia, in particular, has bigger and smaller firms, subcontractors and those more regularly engaged as employees. It is a very difficult industry.

Mr Barnett: This is the school prefect speech.

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

Dr GALLOP: The great sage on industrial relations is in the Chamber! Did members opposite use the laws that they enacted when they were in government? They did not; it was all rhetoric.

Australia now has two political forces: first, the Liberal Party, which has worked out that the best way to govern is to divide and conquer. To achieve that, a Government must create enemies. The Liberal Party has created enemies out of poor people who jumped off a boat because it was sinking. It tried to demonise them, but it was caught out because its members told fibs. The Liberal Party also tries to demonise unions and the role that they play in our community. It is all designed to divide and conquer. It is obvious that the Liberal Party no longer stands for principle. We have only one Liberal Government in Australia today - the federal Government - and it presents a very sorry picture. It has no principles or values and it will do anything it can to stay in power.

The second political force is the Labor Party. It is trying to bring the community together and to outline a framework of law -

Several members interjected.

Dr GALLOP: I will complete the story. The Labor Party is trying to bring the community together, but that is a difficult thing to do. When we tell people that we intend to give them freedom, but that that freedom is accompanied by responsibilities, we do not always get the response we want. When we bring trade unions back into the family that is called Western Australia and give them rights and they abuse those rights, that causes problems. Members opposite should make no mistake - the Labor Government's position is clear.

Several members interjected.

Dr GALLOP: The building industry poses a problem. I will deal with the facts. First, the Labor Government is cooperating with the Cole royal commission, and it expects everyone in the community to follow suit. When I was asked to comment, I said that I expected the Construction, Forestry, Mining and Energy Union, and the union movement generally, to cooperate with the royal commission. Although it was established using proper process, questions have been raised about its purpose. According to eastern States' press reports, some unions supported its establishment. Given that it is now up and running, we should use it to achieve a productive result. Although the Government is encouraging cooperation, one union has refused. That was not what we expected and hoped would happen.

I will address the issue of practices in the building industry. Members opposite have lost their imagination. They come into this Parliament and wheel out the same old arguments: members on this side of the House are controlled by the trade union movement, many work for trade unions and so on. Apparently it is a sin to be involved in helping fellow workers and trying to improve their employment conditions.

Members opposite have also said that the Labor Government has been complicit in corruption and intimidation. Is that a fair representation of what members opposite have said?

Several members interjected.

Dr GALLOP: They said that we have been complicit. It will be very interesting to observe what happens as the truth comes out about the Court Government and its relationships with some people in the community. Indeed, I am very interested in the massive explosion at Bellevue that threatened lives and property. I look forward to the revelations about the action or inaction of the former Government when faced with real problems that led to potential life and death situations. It will also be interesting to see what happens when it is revealed that some companies in our community give two fingers to the law and the proper processes that should be followed regarding conditions for workers and regulations.

I refer to the Labor Government's reaction to illegitimate trade union activities, corruption and intimidation. This Government has made it clear that, if people have evidence of any such activity, they should present it to the departmental unit concerned, which will deal with it appropriately.

I ask the Leader of the Opposition again: should the Minister for Consumer and Employment Protection play a personal role in the processing of those complaints and in determining whether court action should be taken?

Mr Barnett: He should be taking a personal interest.

Dr GALLOP: So, the minister should act as the Director of Public Prosecutions or as an inspectorate!

Mr Barnett: Don't misrepresent me.

Dr GALLOP: The Leader of the Opposition said yes.

Mr Barnett: I said that he should be proactive on building sites.

Dr GALLOP: He is very proactive on building sites.

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

Mr Barnett: He is not!

Dr GALLOP: If anyone has any complaints, that person should present them and they will be investigated.

Mr Kobelke: He is saying that I should be out there on building sites.

Mr Barnett: You should have your people on building sites.

Mr Kobelke: My people are.

Mr Barnett: They are not; they are never there. Nothing has happened since you came to government except coercion, threats, violence and intimidation. That is happening on a weekly basis on building sites.

Dr GALLOP: Has the leader received evidence of those activities?

Mr Barnett: Yes.

Dr GALLOP: What has been done with it?

Mr Barnett: I have met with groups and they have made complaints.

Dr GALLOP: That is what they should do. If the leader has complaints, he should pursue them. He should not come into this place bellyaching -

Mr Barnett: Why not stand up for an employee's right to work in safety without intimidation? Why should we have no ticket, no start? Why can people work on building sites only if they are members of the CFMEU? That has happened because we have a rotten Government acting at the behest of its union thug mates. That is what is going on in this State!

Dr GALLOP: The Leader of the Opposition can descend to that sort of rhetoric.

Mr Barnett: It is a reality.

Dr GALLOP: This Government stands for fairness in industrial relations and restoring the balance of power that was lost under the Court Government, proper processes being followed regarding the Cole royal commission and proper examination of any allegations. If any real evidence is presented, members opposite can rest assured that it will be investigated and, if appropriate, pursued in the courts, as it should be.

Unlike the previous Government, which tried to drive a wedge between unionists and non-unionists in our community, this Government is dinkum about these issues and it will act on them. It is a disgraceful reflection on the Leader of the Opposition's political imagination that he has fallen to these depths and that he cannot see that his approach is not sustainable.

MR JOHNSON (Hillarys) [4.00 pm]: I am glad that the Government and the minister have agreed to support the motion moved by the Leader of the Opposition, albeit amended. The amendment is unnecessary.

Dr Gallop: It is very necessary to point out that we have rights.

Mr JOHNSON: It is yet more rhetoric. The Premier is afraid of the Construction, Forestry, Mining and Energy Union. We know what Kevin Reynolds said about the Premier being the dog chasing the bus, and when he catches it, he does not know what to do with it. Kevin Reynolds does not have a very high opinion of the Premier.

Dr Gallop: He may not.

Mr JOHNSON: No, he does not. Therefore, one must ask who is the dog and who is wagging the dog's tail?

Dr Gallop: It is obviously not him.

Mr JOHNSON: Yes, it is, my friend - it is him and others. The Construction, Forestry, Mining and Energy Union does not mind the Government supporting this motion that the Opposition has moved, because it knows that actions speak louder than words, and it does not matter what the Premier says. If the Premier condemns the CFMEU every day of the week, as long as he does not do anything to interfere with its intimidation, corruption and coercion of workers on the sites to make sure that every one of them is a union member, otherwise he is off the site, the CFMEU is happy. It does not give a monkey what the Premier says about it. The CFMEU - particularly its leader - holds the Premier in very low regard. He has said it. The CFMEU obviously does not care what members on this side of the House say either, because we are not in government now.

Mrs Edwardes: It does not care about the public.

Mr JOHNSON: Exactly. It does not care about anybody. Those opposite should not try to say that the CFMEU cares about the workers, the members of the union, because it does not. It is there for two or three reasons. One

Mr Colin Barnett; Mr Tony McRae; Mr Rob Johnson; Deputy Speaker; Mrs Cheryl Edwardes; Mr John Kobelke; Dr Geoff Gallop

is money. It knows that for every member it signs up, a lot of money will come into its coffers. The second reason is power. It knows that with the money comes the power, and it can use that power to influence the Labor Party and have its own way. It owns 60 per cent of the Labor Party by having 60 per cent of the preselection rights.

Dr Gallop: The CFMEU - 60 per cent? That is not right.

Mr JOHNSON: My friend knows that it has 60 per cent.

Dr Gallop: It does not.

Mr JOHNSON: The CFMEU is one of the strongest unions in Western Australia.

Dr Gallop: Is it?

Mr JOHNSON: Yes, it is. I have said in this House before that it is one of the strongest -

Dr Gallop: How many numbers does the CFMEU have in the Labor Party? You don't know, do you? You just said something and you don't even know what you are talking about.

Mr JOHNSON: The member should not talk rubbish. Who can look at the membership records of the unions? Can anybody look at them? Is the Premier privy to them? I doubt it. I will bet that the unions will not even let the Premier, as the Labor leader of this State, see them. At the end of the day, we have a compliant Labor Government that acts at the behest of the unions. The CFMEU is the most powerful union in WA - maybe not in the number of members, but it is the most militant union; it carries the biggest stick and has the biggest clout. It has on its side people such as the member for Peel, Brian Burke and others who are influential in the Labor Party - more influential than the Premier. If the Labor Party wants to get the cheque from the union movement every time - which cheque, I understand, represents about 25 per cent of Labor funding - nobody expects the Labor Party to be anything but compliant with the union.

Mr Kucera: You live in fantasy land.

Mr JOHNSON: It is a fact, my friend. Those opposite do not like the truth.

Amendment put and passed.

Motion, as Amended

Question put and passed.