

MASTER BUILDERS ACT

Transcript

Summary

Ross Solly interview with Anna Neelagama on the Secure Local Jobs Code, Operation Kingfisher and cutting red tape on construction sites.

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Transcription

ROSS SOLLY: Last week, the ACT Liberal Party and some business leaders began a push to get the ACT Government, to scrap the Secure Local Jobs Code. Now, according to opponents, the code has contributed to the issues which were exposed in the Operation Kingfisher report. Remember the one regarding Campbell School? Now, the Government last week was defending the code, and then lo and behold, late last week, work on parts of the next stage of Canberra's light rail ground to a halt because the contractor had not renewed its Secure Local Jobs Code. And apparently it's going to take several days for it to be cleared up and clarified before they can get back to work on that part of light rail. Of course, this has just increased the push to get the secure local jobs code scrapped altogether. Anna Neelagama is the CEO of the Master Builders ACT and joins us this morning. Anna Neelagama, good morning to you.

ANNA NEELAGAMA: Good morning. Great to be here.

ROSS SOLLY: Yeah, good to have you on the show. So, is the secure local jobs code, is it fit for purpose or not?

ANNA NEELAGAMA: No. And this is something that industry has called for for a long time. At the very least an independent review. But I think with the findings of Operation Kingfisher, the removal of it altogether, and what we've actually seen on the weekend is a subcontractor on the light rail, had their certificate expire. Yet, we don't even know whether they're a good employer. Are they up to date with payments? Are they treating their workers well? Are they doing everything the code says they're going to do? All it says is that, you know, the certificate is no longer valid.

ROSS SOLLY: So, but isn't that the point? Isn't that a point--

ANNA NEELAGAMA: The community has no better information about whether that subcontractor is a good employer or not.

ROSS SOLLY: But isn't that the point of the Secure Local Jobs Code though? Because then they have to fill in all the paperwork, they have to get all the boxes ticked and I'm sure the CFMEU probably has to have a look at it as well. The Government has to make sure that they do tick all those boxes that you just mentioned, Anna Neelagama.

ANNA NEELAGAMA: You're required to do that by law. Pay your staff on time, treat them well, ensure they've got fair operating conditions on site. That's the law in this country. All the code is, is just another layer of paperwork and compliance. And as you can see, it stopped a multibillion-dollar project on the weekend. So, it's costing us money, your listeners money. It's something that in particular disadvantages small and family businesses here in the ACT, because just because you hold a code certificate, it doesn't mean that you are more likely to win government work. So, you're constantly undergoing this compliance, form filling, et cetera, with no guarantee that, in fact you'll be successful winning the work.

ROSS SOLLY: So, have you had feedback from some of your members that they feel like they've missed out? I mean, maybe they were just outbid, maybe there was someone that put in a better bid, but have you had feedback from your members that it's because of the Secure Local Jobs Code that they're missing out?

ANNA NEELAGAMA: It's frustrating on a few levels. Obviously, you know, when there is a high compliance requirement that does favour bigger companies and in particular interstate companies. So, that's one of the sources of frustration. I think the second thing is because the compliance burden is in some instances so high, we're seeing quality subcontractors not actually compete for government work, who are great local businesses that live and work in the territory

and employ plenty of local workers. So, we've seen a lot of unintended direct consequences as a result of what's a huge compliance burden. Just to demonstrate you're compliant with the law and you're doing everything a compliant, an employer rightly should do.

ROSS SOLLY: Yeah. Do you feel, though, if we didn't have the Secure Local Jobs Code, do you feel, Anna Neelagama, that a lot of our work would go to outside companies, companies outside the ACT? I mean, do we need that to guarantee that, you know, preference is given to local providers?

ANNA NEELAGAMA: Well, one of the absurd things about the Secure Local Jobs Code is that it doesn't actually preference locals. It sounds like it does, but it's a certificate that anywhere from across Australia, or indeed other parts of the world, can fill in to say, I'm hitting all these, you know, employment minimum standards, which is a requirement by the law. What the code does not do is support true locals. If the code did support that, I mean, there would be a lot more substantive basis for that being in place. And I would note in the instance of the report over the weekend that traffic management provider is actually an interstate provider. Were there no locals that could do that job on such a significant piece of public infrastructure? Yet, that company was able to get a code certificate.

ROSS SOLLY: I did put a request into the Government because I thought, well, we need them to come on and explain what they believe the purpose of the Secure Local Jobs Code is. No one was available to talk to us. We will talk to the CFMEU, though, later in the program, just to get their take on. I mean, in the end, I guess they're just doing their job, Anna Neelagama. And they found on the weekend or late last week that this contractor on the light rail wasn't up to date. I guess they did the right thing in terms of their members and pulled them out.

ANNA NEELAGAMA: I think what's important here is that people get treated well on government sites and in general. And I guess that Secure Local Jobs Code certificate lapsing, it doesn't say anything to the community about whether those workers are being treated well, whether they're being paid on time. These are all things you have to do anyway. And the reality is that the certificate expiring doesn't give the unions or the government or the community any further reassurance that those people are doing the right thing by their workers. So, what is the purpose of it?

ROSS SOLLY: On the text line, a couple of different texts. See, this listener says "This jobs code thing sounds like a code for CFMEU corruption." Another text that says "It sounds like this Secure Local Jobs Code is just doublespeak for getting the CFMEU to approve jobs for their mates." That's from somebody who signs off 'Anonymous'. I mean, do you feel that this is a

union-driven initiative and is that what's making you feel uncomfortable about it, Anna Neelagama?

ANNA NEELAGAMA: I think our focus has always been, and prior to Operation Kingfisher, is the enormous amount of red tape and compliance that it places on small and middle sized businesses for very little in return. Our true local employers, they want to do the right thing by their staff, they want to be compliant. You know, getting the code and getting the certificate and doing the audits doesn't demonstrate that you're living and breathing that and doing it for day to day. The second thing I would say is Operation Kingfisher quite clearly showed that the Secure Local Jobs Code did enable a backdoor for union interests to be prosecuted. So, the report says that in black and white. And can I add one more thing, Ross?

ROSS SOLLY: Yeah.

ANNA NEELAGAMA: In Queensland they had a similar thing to the Secure Local Jobs Code called the BPIC, which has since been phased out. And a subsequent investigation has shown that code put up construction costs per project by up to 25 per cent. So, we're talking about really big dollars here--

ROSS SOLLY: And you reckon it's the same here? Do you think it's the same here?

ANNA NEELAGAMA: Absolutely. For the amount of regulation and red tape that's involved, of course there's going to be a greater cost. That's a given. But that's why an independent review at a minimum is so important so we can establish a clear evidence base as to whether this is serving ACT taxpayers or not.

ROSS SOLLY: Anna Neelagama, appreciate your time this morning. Thank you.

ANNA NEELAGAMA: Thank you so much.

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