

Project Life Greenfield agreements

Submission

J O'Dwyer November 2019



Introduction

Master Electricians Australia (MEA) is a trade association representing electrical contractors, recognised by industry, government and the community as the electrical industry's leading business partner, knowledge source and advocate. MEA currently has a membership base of approximately 3000 electrical contractors in Australia. MEA understands the current and potential issues facing electrical contractors today.

Master Electricians Australia has a dedicated team that provides comprehensive workplace relations advice to electrical contractors who are also employers to ensure that they are compliant with their industrial obligations.

Project life greenfield projects

MEA agrees that aligning greenfield agreement's nominal expiry dates with project completion dates will provide certainty for the life of construction projects. MEA submits that moving away from a strict four-year agreement term will assist in the generation and production of large construction projects. It is the view of MEA this would greatly assist projects being delivered to budget and within timeframes.

Whilst project life greenfield agreements would be beneficial for the industry, agreements shouldn't be mandatory across the industry, particularly without the consent of project owners / principle contractors. The ultimate decision to determine if an Agreement is required for individual sites should lie with the project owner. A dispute between relevant parties over the need for a project life agreement could be dealt with by the Fair Work Commission as a 'scope order' with a minor extension of the current section 238 of the Fair Work Act.

To ensure agreements are being used as intended by the principle contractor, they need to be specific to individual stages of the project. Greenfields Agreements that have been approved for the life of the project should only apply to the construction stage of the contract and not beyond into maintenance and upkeep stages.

Currently, when a project extends past the standard four-year term of an agreement, bargaining of a new agreement can commence. This level of bargaining or negotiations can be time consuming and costly to the project; either as a result of unprecedented wage increases and/or extended protected industrial action. An extended period of bargaining may even result in the project coming to a standstill until all parties are satisfied.

MEA proposes a shorter bargaining period between the union and the project owner/principle contractor on new greenfield projects and argues that if parties are at an impasse instead of the 6-month period currently in place, this should be reduced to 3 months. At which time, a principle employer can submit an agreement to the FWC, to make a determination or hear from the parties.



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