



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**BILLS**

**Building and Construction Industry  
(Improving Productivity) Amendment Bill 2017**

**In Committee**

**SPEECH**

**Wednesday, 15 February 2017**

BY AUTHORITY OF THE SENATE

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## SPEECH

<b>Date</b>	Wednesday, 15 February 2017	<b>Source</b>	Senate
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<b>Questioner</b>		<b>Responder</b>	
<b>Speaker</b>	Xenophon, Sen Nick	<b>Question No.</b>	

**Senator XENOPHON** (South Australia) (21:08): I thank the minister for that undertaking, and I think that that is enough for now. The fact that there will be that wholesale review—there has not been a wholesale review of that since the Federal Safety Commission has been in place since 2005; I think there was a review in 2008 about harmonisation, but not in relation to the effectiveness of safety laws—is a significant development that all of us should welcome, and I thank the minister for that.

Can I indicate that, in respect of the issue of asbestos, one of the matters that I negotiated with the government several months ago was clause 9.3 of the code, which makes clear reference to the requirement for work, health and safety requirements, or asbestos safety requirements, and for appropriate procedures in respect of that. So that provision is in place. I am still a patron of the Asbestos Victims Association, and back in 2005, as a state member of parliament, I worked strongly and closely with the late, great Bernie Banton, along with others in South Australia, to bring about changes to asbestos compensation laws. It was resisted by the then Labor government, but they came on board and, to use an expression that you are—I do not know if someone just said 'shame' then, but I am sure that was not the case.

The TEMPORARY CHAIR ( Senator Sterle ): Sorry, Senator Xenophon, I think that was done for another reason, but I would urge you to ignore the interjection.

**Senator XENOPHON:** I am sure it was not to do with what I was talking about.

The TEMPORARY CHAIR: No, it was not.

**Senator O'Sullivan:** It wasn't.

**Senator XENOPHON:** It was not directed to this?

The TEMPORARY CHAIR: It was not directed to you.

**Senator XENOPHON:** The Liberal opposition, to their credit, came on board with a private member's bill I introduced. It passed both houses of parliament. It was the biggest shake-up of asbestos compensation laws that the state had seen. In South Australia, even though there have been attempts to water it down, it still is a very good compensation scheme for asbestos victims and their families—a dramatic difference to what occurred prior to 2005. I am very proud of that and proud of the people who I worked with who were asbestos victims. Terry Miller, who is still battling there for asbestos victims—he has all sorts of health issues with asbestosis—is a champion. So are all the people who work with them at the Asbestos Victims Association, and all those groups. So that provision is not necessary because of what we already have in the code.

There is one issue that I must address with the minister, and that relates to the amendment by Senator Cameron about requiring 'the building industry participant to use best endeavours to ensure that any clothing or footwear provided to employees is Australian made'. Minister, I ask you this question in the context of the Commonwealth procurement rules changes that I negotiated with Senator Cormann. I think that shows you what can be done with negotiating in good faith. I am not sure whether some of Senator Cormann's colleagues have forgiven him yet for getting those changes to procurement rules through, but those changes are very significant. Let's make it clear, in the context of this amendment and why I believe we already have safeguards in place. It now specifies that for any Commonwealth procurement:

Where an Australian standard is applicable for *goods* or services being procured, tender responses **must** demonstrate the capability to meet the Australian standard, and *contracts* **must** contain evidence of the applicable standards.

It goes on to say:

*Officials must* make reasonable enquiries that the *procurement* is carried out considering relevant regulations and/or regulatory frameworks, including but not limited to *tenderers'* practices regarding:

- a. labour regulations, including ethical employment practices;
- b. occupational, health and safety; and
- c. environmental impacts.

Also, in clause 10.30, it says:

In addition to the considerations at paragraph 4.4, for *procurements* above \$4 million, Commonwealth *officials* are required to consider the economic benefit of the *procurement* to the Australian economy.

That is something that goes way beyond anything that the Rudd-Gillard-Rudd governments did. They did not touch this. We now have, from 1 March this year, Commonwealth procurement laws that will make a real difference to Australian made goods and Australian jobs, and that is unambiguously a great thing. I understand the context and the intention of Senator Cameron's amendment about clothing and footwear, so my question to the minister is: can you indicate whether the Commonwealth procurement rules will apply in the context of the code or in the context of the ABCC. Will the procurement rules as a matter of course apply in the context of what occurs with Commonwealth funded projects?