
INQUIRY INTO THE LABOUR HIRE INDUSTRY IN QUEENSLAND

22 January 2017

Dear Mr Peter Russo MP
(Finance and Administration Committee)

I am submitting this letter for consideration by the committee regarding some of my thoughts and experiences I have had since being employed in the mining industry through labour hire (LH) arrangements. I first entered the industry in 1993 and worked as a full time company employee with various companies until 2010, after having a 2 year break working locally I reentered the mining industry and have spent the last 5 years engaged with 4 labour hire contracts at several mine sites in the Bowen Basin.

When LH contractors first started appearing in the mining industry, early 2000's approximately, they were engaged to manage short term fluctuations in production requirements, with some being shifted to permanent full time roles if required. Currently I am contracted to a site with 50% of the production work force on LH contracts, with many of them having been on the site from 2 to 4 years. In regards to wage disparity, the LH employees are receiving 2/3 or less than an equivalent full-time employees wage, additionally with no entitlements such as annual and sick leave. Also annual production bonuses are distributed only to full time employees, a bit of a disheartening experience as LH employees contribute equally to production targets. LH employees also have inferior accomodation arrangements in comparison to full time employees.

As a Qld coal mine worker we are entitled to a long service leave (LSL) contribution paid on our behalf from the LH company, on 3 out of 4 occasions I have been forced to pursue these entitlements through the LSL board with a request to investigate application. The last investigation had taken 6 months to process. LH companies should be more aware of their requirements in this area.

With safety being a major consideration in the mining industry, I have some concerns around the culture that the LH industry has caused across the whole industry in general. As part of my work in the industry I have acted in a statutory safe role as Opencut Examiner (OCE) at various sites. There is a very real, "don't rock the boat" or "he won't be back" attitude that many LH employees have adopted as it is not uncommon for LH employees to simply be "not required" or "they don't suit the culture" and don't return to site for voicing their opinions or concerns. It has also bred a non reporting culture in terms of incidents and accidents.

Discipline procedures are inconsistently applied when it comes to LH contractors versus full-time employees. If a LH contractor is involved in an incident or procedural breach, quite often they are simply stood down from site, and “not required” again. And as the LH company has no real work as such, the contractor is let go. I have attended a feedback meeting with a host company in the past and a production Superintendent has stated, that it is not the host company dismissing the person, it is up to the LH company to manage, as I stated earlier, no real work outside of the hosts site so they are dismissed. It is basically a numbers game for LH companies with little or no empathy or consideration for there contract workforce.

LH companies also seem to miss some basic obligations around health and safety. Under the Qld Coal Mining Health and Safety Act there is provision for supplying suitable PPE and Coal Board Medicals. To date in the last 5 years I have received 2 sets of hi-vis shirts (am sure shirts are supplied to hang the LH logo on), no industry standard pants, steel cap boots and have had to maintain the majority of my coal board medicals, at my own expense. The question was asked at a safety meeting about suppling work boots, the response was “that would cost to much to supply everyone”. I have yet to experience a host company enforcing any compliance in this area as a matter of fact.

Mental health and suicide rates have become an increasing worry in the industry and the communities associated with the industry, and I don't think it would be to difficult to link at least a portion of the cause to the excessive use of LH contracting and the insecurities that it brings with it. I have witnessed many times, co-workers suffering anxiety and stress caused by the inability to apply for loans for housing, being unable to take time off with family without suffering financially difficulties afterwards and the general insecurity in employment.

My thoughts are that the LH industry in general has become a widespread parasitic industry that is being used purely as a means for companies to reduce their costs. It has promoted division and poor morale within the work sites. While companies do need to manage their costs, there needs to be some balance in place to minimise negative effects on workers and the betterment of their families.

Sincerely yours,

Chris Birchley

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