

OUTLINE OF SUBMISSIONS

MASTER BUILDERS AUSTRALIA

Introduction

1. This outline is filed by Master Builders Australia (**'Master Builders'**) in support of [an Application](#) filed jointly on 27 May 2020 in conjunction with the Australian Industry Group (**'AiGroup'**) and the Housing Industry Association of Australia (**'HIA'**) (**'the Applicants'**).
2. This submission is filed in support of the Applicants' claim to vary the following Modern Awards (**'the Construction Awards'**):
 - a) *Building and Construction General On-site Award 2010* [MA000020] (**'Onsite Award'**);
 - b) *Joinery and Building Trades Award 2010* [MA000029] (**'Joinery Award'**); and
 - c) *Mobile Crane Hiring Award 2010* [MA000032] (**'Mobile Crane Award'**).
3. The claim is filed pursuant to s.157 of the *Fair Work Act 2009* (**'FW Act'**) and seeks temporary variations to the Construction Awards that mitigate against both the current and expected future impacts of the COVID-19 pandemic (**'COVID-19'**) on employees and employers who are reliant upon Awards within the building and construction industry.

About Master Builders Australia

4. Master Builders Australia is Australia's peak building and construction industry association which was federated on a national basis in 1890. Master Builders' members are the Master Builder State and Territory Associations. Over 128 years the movement has grown to over 33,000 businesses nationwide, including the top 100 construction companies. Master Builders is the only industry association that represents all three sectors, residential, commercial, and engineering construction.

Background to Application

5. This application has its genesis in the Statement [\[2020\] FWCFB 1760](#) issued on 1 April 2020 in which the Commission, of its own motion, proposed temporary changes to a range of Modern Awards to assist workplaces in light of COVID-19. These changes took the form of provisionally expressed standard clauses to provide a right for employees to access unpaid pandemic leave and for employees to take Annual Leave at half pay, for twice the usual duration (**'Standard Clauses'**).
6. The Statement of 1 April 2020 identified that these changes would be made to Awards grouped into various phases, with the Construction Awards proposed for exclusion from the list of Phase One Awards. Those parties with an interest in Awards excluded from the Phase One list were encouraged [at para 111] to have discussions to explore the prospect of variations by consent, in the event these were not already taking place.
7. Master Builders' submission supported the provisionally expressed clauses, subject to drafting alterations advanced by the Australian Chamber of Commerce and Industry, while urging the Commission to include the Construction Awards amongst those to be varied in Phase One. In the alternative, Master Builders proposed

that the parties maintaining an interest in the Construction Awards be given a timeframe within which discussions could be held so as to facilitate a productive and efficient process.

8. The Decision of 8 April 2020 [\[2020\] FWCFB 1837](#) confirmed the Commission would proceed as first proposed and the Construction Awards were not varied. However, the parties were directed to hold discussions with respect to the Construction Awards with Master Builders being directed to facilitate discussions and provide the Commission with regular progress reports [at paras 30-33].
9. Pursuant to this directive, Master Builders engaged with relevant employer groups who maintained an interest in the Construction Awards and settled a proposal for variations which subsequently formed the basis of discussions with relevant union parties. The proposal for variations included those which form the basis of this application along with the standard clauses for unpaid pandemic leave and double leave, half-pay as provisionally proposed by the Commission.
10. Despite the efforts of all parties, agreement was not reached, and Master Builders therefore sought assistance from the Commission. Two conciliation conferences took place convened by Commissioner Lee during which the proposed variations were discussed in detail. The parties were unable to reach common ground in respect of any variation, including those standard clauses proposed by the Commission which the employers supported without amendment.

Relationship between Application and 4 Yearly Modern Award Review Proceedings

11. Master Builders draws attention to the linkage between this Application and the 4 Yearly Modern Award Review proceedings as they affect the Construction Awards ([AM2014/260 – Onsite Award](#); [AM2014/274 - Joinery Award](#); and [AM 2014/278 - Mobile Cranes Award](#)).
12. While there remains a small number of matters awaiting Commission finalisation, the bulk were determined on 18 December 2019 [\[2019\] FWCFB 8564](#) to take effect on and from 1 July 2020 [at para 97].
13. Amongst the various proposals advanced during the conference proceedings summarised in the background above, one involved the prospect of whether certain matters already determined by the Commission in [\[2019\] FWCFB 8564](#) (and due to apply from 1 July 2020) were able to be ‘brought forward’ to operate on and from an earlier date.
14. Although discussions on this prospect did not gain traction, extracts of the determinations made in [\[2019\] FWCFB 8564](#) appear in the proposed [schedule](#) of variations (at Annexure A to the originating application) sought by the Applicants at items:
 - a) H.5.5 – RDOs; and
 - b) H.11 and corresponding Schedule I– Model Time off in lieu of overtime provision (‘**TOIL**’).
15. As a date for hearing had not then been set, these items in the same version as finalised by the Commission were included in the schedule as filed in May. The submissions below are made on the basis that these two items will have commenced operation when this Application is heard.

Context within which variations are sought

16. The variations sought are contained at [Annexure A](#) to the originating application. The Applicant’s overall submission is that, if granted, the proposed changes would allow the Construction Awards to better meet the objectives at s.134 of the FW Act having regard to COVID-19 and the current and future challenges it presents to workplaces in the building and construction industry.
17. Building and construction services have been [designated by Governments](#) as ‘essential’ and therefore were not subject to any industry specific public directives or health orders issued by health agencies or law enforcement bodies. Retaining capacity to trade, while avoiding immediate consequences experienced by

other industry sectors subject to specific direction, brings with it a raft of different but no less important COVID-19 challenges. These include:

- a) COVID-19 WHS obligations: implementation of COVID-19 specific workplace health and safety ('WHS') obligations, such as hygiene and social distancing,
- b) Workplace and work-flow disruptions: caused by general COVID-19 restrictions, such as border controls and supply chain interruptions; and
- c) Deteriorating business conditions: general economic uncertainty is producing an overall downturn in levels industry activity.

18. The consequences of these challenges have already started to manifest as outlined in the Statement of Mr Shane William Garrett (**Attachment A**) (in particular paragraphs [7]-[11] and [12]-[19]).

19. Together with relevant Government and industrial sources, the Statement of Mr Garrett identifies data showing that the building and construction industry:

- a) has already lost between approximately 69,513¹ and 77,800² jobs to May 2020;
- b) has the largest proportion of businesses that either have, or will, seek access to the Australian Government JobKeeper wage subsidy scheme ('**JobKeeper scheme**') – recorded at 80 per cent – greater than any other industry sector³;
- c) experienced a decline in the total volume of construction activity, with ABS data for March 2020 showing levels 6.5% lower than the year prior⁴;
- d) suffered falls in the volume of civil construction work done in the first three months of 2020, sagging to its weakest quarter since the middle of 2008⁵; and
- e) experienced falls in the value of approvals for commercial building work, down by 11.9% compared with March 2020 and 16.4% lower than in the same month a year earlier⁶.

20. Underpinning these challenges is a general concern arising from steep declines in forecast levels of future industry activity given most current activity involves work that was commenced prior to COVID-19. As this work reaches completion, the rate of forward work orders is below conventional levels and forecast to fall by almost 16 per cent over the next twelve to eighteen months. While the Government's HomeBuilder scheme will assist in closing the gap in the decline, we are of the view that it cannot be relied upon to assist all businesses, particularly those operating within the commercial sector where there has been limited stimulus to date, as outlined in the statement of Grant Matthew Galvin (**Attachment C**) at paragraph [11].

21. Were these forecasts to eventuate, it would see:

- a) the total number of jobs lost reach as high as 400,000 in an industry of approximately 1.2 million⁷; and
- b) cause the industry to contract by up to 10 per cent, representing a loss of almost \$36 billion to the economy⁸.

22. While building and construction workplaces are already experiencing a range of adverse impacts attributable to COVID-19, the degree of this impact is expected to worsen significantly in the remaining six months of 2020. The worst impacts on workplaces, should conditions deteriorate, as predicted are therefore highly likely

¹ Statement of Shane William Garrett, at [16].

² ABS (2020), *Labour Force, Australia, Detailed, Quarterly, Feb 2020* (6291.0.55.003). Australian Bureau of Statistics, online [last accessed 19 June 2020] <https://www.abs.gov.au/ausstats/abs@.nsf/0/5F60A449AE6DE5F6CA258090000ED52A?OpenDocument>

³ Hinton, T (2020), *Share of businesses that registered or intend to register for the JobKeeper payment scheme in Australia in 2020, by industry*. Statista, Online: <https://www.statista.com/statistics/1114989/australia-share-of-businesses-intending-to-access-jobkeeper-by-industry/>

⁴ ABS (2020), *8755.0 - Construction Work Done, Australia, Preliminary, Mar 2020*. Australian Bureau of Statistics, online [last accessed 19 June 2020] <https://www.abs.gov.au/ausstats/abs@.nsf/mf/8755.0>

⁵ Garrett, S (2020), *Revised Building & Construction Industry Forecasts the impact of the COVID-19 economic shock*. Master Builders Australia, online: <https://www.masterbuilders.com.au/Resources/Industry-Forecasts>

⁶ ABS (2020) *Building Approvals, Australia, Apr 2020* (8731.0). Australian Bureau of Statistics, online [last accessed 19 June 2020]: <https://www.abs.gov.au/ausstats/abs@.nsf/0/0545FFC6A101264DCA25719F007F6F1F?OpenDocument>; Statement of SWG, at [18].

⁷ Labour Market Information Portal (2020), *Construction: Employment Characteristics*. Australian Government Labour Market Information Portal. Online [last updated 21 April 2020]: <https://lmip.gov.au/default.aspx?LMP/GainInsights/IndustryInformation/Construction#:~:text=Construction%20employs%20approximately%201%2C190%2C700%20persons.increased%20by%2015.6%20per%20cent>

⁸ Where the total value of the construction industry is reported to be \$360billion, or 9% of Australia's GDP, a decline by 10% would reflect a \$36billion loss. Data from the Australian Industry Skills Committee, *Report: Construction*. Online [last accessed 19 June 2020], <https://nationalindustryinsights.aisc.net.au/industries/construction>.

to arrive swiftly and sharply – described by many as a ‘cliff’ – and likely to coincide with the cessation of the JobKeeper scheme. This means JobKeeper scheme income subsidies and options available pursuant to Part 6-4C of the FW Act will cease at the time they are most needed by building and construction workplaces.

23. Further, a full return to pre-COVID-19 business conditions for building and construction is forecast to be longer than other industry sectors as demand/activity is linked to general market confidence and consumer activity. The inherent lag between the commission and commencement of new works (particularly commercial and civil construction) combined with a subdued or worsening market, investment and consumer confidence, is expected to delay any positive trend in building activity until 2021/22. Industry activity levels are not predicted to revert to the long-term home building trajectory February (last data prior to COVID-19) until 2024/25.⁹
24. Having regard to this context, it is the Applicant’s submission that allowing building and construction workplaces more options consistent with the variations proposed will assist them to better manage COVID-19 challenges faced presently, and better capacity to manage those forecast for the future.
25. The variations proposed are to:
 - a) Adopt the standard clauses for unpaid pandemic leave and annual leave at half pay (as proposed by the Commission);
 - b) Mimic the options available under part 6-4C the FW Act (so they are available consistently to all industry workplaces at present, and remain available to all industry workplaces beyond the expiry of the JobKeeper amendments);
 - c) Allow for agreement to extend the range for when ordinary hours of work is performed (to better accommodate social distancing obligations, and manage future work flow);
 - d) Amend the definition of ‘redundancy’ in the On-Site award (to shield against financial consequences arising from resignations) or alternatively, clarify that s.119 of the FW Act applies (providing an avenue to be heard if relief is sought); and
 - e) Alter casual minimum engagement provisions (particularly within the Joinery Award which contains a current minimum casual engagement period of 7.6 hours).
26. The variations proposed deliberately utilise concepts and adopt provisions that have already been subjected to consideration by either the Parliament or the Commission, and would take the form of a schedule that:
 - a) Is temporary and proposed to expire on 31 December 2020, unless otherwise extended;
 - b) Provides clear parameters as to what, when and how variations proposed can be triggered; and
 - c) Affords workplace participants strong protections against misuse and swift access to dispute resolution mechanisms if necessary.
27. It is the Applicant’s submission that variations as sought would, when regard is had to COVID-19 and resulting challenges created for building and construction workplaces, ensure the Construction Awards better meet the objective at s.134 in addition to the broad objects of the Act at s. 3.

COVID-19 - Impact on Building and Construction Industry

28. The ‘essential service’ designation given to building and construction does not mean the sector has been immune from COVID-19 impacts. To the contrary, retaining trading capacity has brought about a raft of different challenges with adverse impacts, in addition to a general deterioration in the economy and market conditions as noted at paragraphs 18 and 19 above.
29. A report from ACA Research “*How We Build Now – Tracking Technology in Construction 2020*”¹⁰ has examined the impact of COVID-19 on building and construction through a survey of building firms in February 2020 and April 2020. Key findings within this report include:

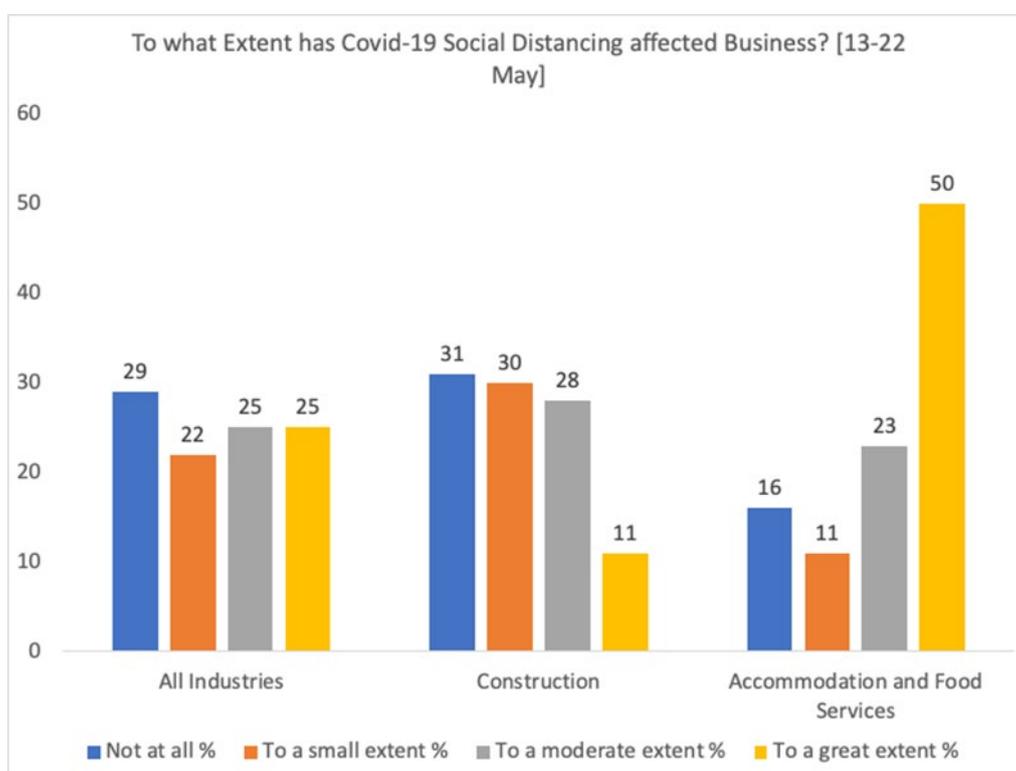
⁹ Statement of Shane William Garrett, at [26]

¹⁰ ACA Research “How We Build Now - Tracking Technology in Construction 2020 - June 2020” – Commissioned by Procure IT - <https://www.procore.com/en-au/ebooks/how-we-build-now-2020>

- a) In the February survey, 69 percent of all companies who responded were confident about industry prospects and business conditions for the year ahead. By the time of the April survey, this had fallen to just 43 percent with confidence among small builders with fewer than ten employees now as low as 30 percent;
- b) One-third of those surveyed (33 percent) indicated that they will consider closing their doors over the next twelve months if business did not improve;
- c) Almost one in four (22 percent) small construction firms are cutting wages to the minimum JobKeeper allowance;
- d) More than half (55 percent) of all large construction firms are reducing business owner/senior executive remuneration in response to COVID-19; and
- e) 41 percent of all firms are using fewer subcontractors on site.

Social distancing

- 30. Social distancing, hygiene and other COVID-19 specific WHS measures have affected the way work is performed. Given the social-distancing requirements imposed by the Australian Government, the number of trades on-site at any given time has generally decreased and has forced contractors to reconsider how they operate and programme works.
- 31. Measures that have been put in place to deal with rostering and programming challenges are contained within the statement of Mr Tony Grippi (**Attachment B**), at paragraphs [10] - [14] and **Annexure A** to the statement.
- 32. Latest ABS data shows that social distancing has had an impact in a large majority (69%) of building and construction workplaces.¹¹



¹¹ ABS (2020), 5676.0.55.003 - Business Indicators, Business Impacts of COVID-19, May 2020. Australian Government - Australian Bureau of Statistics. Online [last accessed 19 June 2020]:

33. Other reports¹² note that contractors have introduced shift splitting and have had to set up additional site facilities, including additional offices. While continuing to operate, it is reported that social distancing has adversely affected site productivity and increased labour costs. Productivity levels are reported to be down to approximately 60 per cent of the usual rate.¹³
34. There is no clarity as to the length for which social distancing obligations will remain in effect and there was much initial uncertainty as to what obligations were, when they applied, and by whom they were enforced. While now largely settled, certainty of obligation does not mean implementation is easily practicable, with construction elevators (commonly known as 'Alimaks') representing just one example where travel is restricted to 2-3 passengers when conventionally accommodating up to 10.
35. The challenges associated with transporting workers in lifts and hoists is highlighted at paragraphs [18] - [20] within the Statement of Mr Tony Grippi at **(Attachment B)**.

Supply chain

36. Domestic industry has a large reliance on imported building materials and products resulting in the industry facing many interruptions to supply chains, particularly those involving products and materials manufactured in China. Chinese manufacturing production ceased or slowed during COVID-19 and this decline impacted product availability and supply flow certainty. Suppliers from other parts of the world have also slowed or stopped due to restrictions on movements internationally and domestically¹⁴.
37. Supply chain disruptions, combined with changes to the Australian dollar, are reported to have caused material costs to increase by up to 20 per cent¹⁵.

COVID-19 – Forecast industry impacts

38. A significant concern within building and construction are the future impacts that COVID-19 is anticipated to have on the industry which are expected to be more severe than at present. As noted earlier, this arises as much of the existing work undertaken by industry commenced or was commissioned before the pandemic and is now nearing completion.
39. A report published by Deloitte Access Economics in March 2020¹⁶ described demand concerns of Australian businesses:

“It is the drop off in local demand and the resultant impact on cash flow which is the dominant fear through the Australian business sector. Put simply, scared people and scared businesses don’t spend, so the resultant shock to demand is far away the most important thing affecting businesses at the moment. This is slightly less across the CBD office sectors, but even in these industries it is a concern for close to two-thirds of employers.”

40. The same report observed that the industry is susceptible to downturns and that recovery may be delayed:

“Existing headwinds such as the high level of household debt also mean that the property market is generally more susceptible to a downturn. While the RBA has cut rates to a record low and implemented additional stimulatory measures, this is unlikely to prevent a fall in short-term activity. As risks persist in 2020, it is unlikely to be until 2021 – at best – before any recovery begins to be evident.”¹⁷

¹² Emmett, T (2020). *COVID-19 and the impact on Australian construction projects*. Turner and Townsend, 22 April 2020 [online: last accessed 22 June 2020]: <https://www.turnerandtowntsend.com/en/perspectives/covid-19-and-the-impact-on-australian-construction-projects/>

¹³ Ibid

¹⁴ Ibid

¹⁵ Ibid

¹⁶ Deloitte Access Economics “Employment Forecasts Lockdown downturn March 2020” p.14

¹⁷ Ibid, page 17

41. The ACA research report referenced at paragraph 28 above also notes that the number of construction projects is expected to drop by 34 percent whilst the value of those projects is expected to decline by 33 percent. In commercial and industrial projects, the value of projects is expected to drop by 19 percent.

Proposed variations

42. The Applicants propose that the variations be contained in a temporary Schedule and appended to the relevant Award in a manner consistent with the approach adopted in COVID-19 schedules for awards such as *the Clerks – Private Sector Award 2010* ([AM2020/10](#)) and the *Hospitality Industry (General) Award 2010* ([AM2020/8](#)).
43. The proposed schedule for the On-Site Award is at [Annexure A](#) of the originating application and takes the form of a draft determination. Noting the approach foreshadowed earlier herein (at para 26) the Schedule has wherever possible been drafted so as to either mimic or reproduce provisions as already adopted elsewhere (either in Part 6-4C of the FW Act, or temporary schedules in other Modern Awards). In some circumstances, the drafting has been nuanced to accord with the terms of the relevant instruments.

Schedule H.1 - Award flexibility during the COVID-19 Pandemic

44. Schedule H.1 deals with the operation of Schedule H generally. Item H.1.1 sets the period for which the Schedule is proposed to operate, being from a date as determined by the Commission and expires on 31 December 2020, subject to any extension.
45. Item H.1.2 sets out the proposed application of Schedule H, being all employees and employers that are not eligible for the JobKeeper scheme.
46. Item H.1.3 sets out the overall purpose of the Schedule, being to assist workplaces during COVID-19 and related recovery periods.

Schedule H.2 – General Conditions Applicable to Schedule H

47. Items H.2.1 and H.2.2 set out general conditions under which Directions made pursuant to the proposed Schedule are to be made, obligations for workplace consultation prior to making such directions, and accruals of relevant entitlements while such directions are in effect.
48. These items are a combination of equivalent provisions within Part 6-4C of the FW Act. Their inclusion is intended to provide safeguards and clear parameters as to the use of provisions within the proposed Schedule, and maintain consistency with Part 6-4C as far as is practicable.

Schedule H.3 – Consultation and Dispute Resolution

49. Items H.3.1 and H.3.2 create consultation and dispute resolution processes applicable to the proposed Schedule.

Schedule H.5.1 – Unpaid Pandemic Leave

50. Schedule H.5.1 creates an unpaid pandemic leave provision and is in the same form as the Standard Clause as proposed by the Commission in [AM 2020/12](#).

Schedule H.5.2 – Annual Leave at Half Pay

51. Schedule H.5.2 creates the capacity for employees to take accrued annual leave at half pay and is in the same form as the Standard Clause as proposed by the Commission in [AM2020/12](#).

H.5.3 Direction to take Annual Leave

52. Schedule H.5.3 deals with Annual Leave and is proposed to operate in conjunction with existing annual leave award provisions (Clause 38 On-Site, Clause 32 Joinery, and Clause 25 Mobile Cranes) to the extent of any inconsistency and/or replace any provision that directly deals with the same action or subject.
53. The intention of the variation proposed is to provide greater capacity to direct an employee to take accrued annual leave. Such direction requires written notice of not less than one week, or a less period if so agreed. Any direction so issued would have no effect should it result in an employee having less than two weeks of leave accrued.
54. If granted, the variation would give workplaces greater capacity to respond quickly to relevant circumstances as they arise when compared to conventional provisions which are narrow and restricted in application. Existing clauses 38.6 and 38.7 of the On-Site Award, for example, deal with excessive annual leave provisions and provides that:
 - a) An employer can only direct an employee to take annual leave if they have accrued an amount considered as 'excessive';
 - b) Excessive leave is defined as being an annual leave accrual of more than 8 weeks (or 10 weeks in case of a shift-worker);
 - c) Directions can only be given in relation to blocks of one week (or lesser period if agreed) and requires:
 - not less than 8 weeks' notice;
 - not more than 12 months' notice; and
 - an overall balance of 6 weeks leave accrual to remain.

Schedule H.5.4 – Directions to Take RDOs

55. Schedule H.5.4 deals with accrued Rostered Days Off (RDOs) and is proposed to operate in conjunction with the Hours of Work award provisions (Clause 33 On-Site, Clause 28 Joinery, and Clause 21 Mobile Cranes).
56. The intention of the provision is to create capacity for employers to direct full-time and part-time employees in a workplace, or section of a workplace, to take any accrued RDOs by giving at least one weeks' notice, or any shorter period of notice that may be agreed.
57. Construction Awards do not allow RDOs to be taken in such a manner and the capacity to change RDOs is only available in narrow circumstances. The On-Site Award, for example, does not provide any capacity for an employer to direct the taking of RDO's and sets very limited circumstances in which agreement to take an alternative RDO can be made. Existing provisions (at clause 33.1(vii)) provide that agreement for alternate RDOs:
 - a) must be reached with the majority of employees only;
 - b) can be reached only with respect to the 'industry' RDO; and
 - c) if reached, must apply to all employees.

Schedule H.5.5 – Taking an accrued RDO

58. Schedule H.5.5 deals with how RDOs are taken, allowing RDOs to be rostered either on the basis that all employees will take an RDO on a single day in a 20-day work cycle, or to allow employees to take RDOs on different days during the cycle.
59. The provision is in the same form as determined by the Commission in [AM2014/260](#) and will apply from 1 July 2020.
60. Arrangements for the rostering of RDOs under current clause 33 of the On-Site Award are particularly restrictive when compared to other Construction Awards. Clause 28 of the Joinery Award, for example, provides more flexibility in that under clause 28.2(c) an RDO can be implemented:

- (i) By the employer fixing one day in a cycle on which all employees will be off;
- (ii) By the employer rostering employees off on various days in a cycle so that each employee has a paid RDO during the cycle; or
- (iii) By any other method which is agreed to by the employer and a majority of employees in the affected factory, workshop or section of the enterprise.

61. While clause 21.7 of the Mobile Cranes Award also provides somewhat less prescriptive RDO cycle provisions, subclause (d) is restricted to RDO substitution only 'where an employer and a majority of employees at an enterprise agree, another day may be substituted for the nominated industry RDO'.
62. The Commission has determined a new clause to replace existing clause 33.1 in the On-Site Award which is anticipated to give workplaces more options to establish and substitute RDO arrangements. An akin provision applicable to the Mobile Cranes Award would provide much needed flexibility and consistency with other Construction Awards.

Schedule H.6.1 – Duties of Employees

63. Schedule H.6.1 deals with employee duties and provides the employer with capacity to direct an employee to perform duties that are within their skill and competency. Such direction will be available regardless of an employee's usual classification at clause 18 and Schedule B, provided that the duties are safe, and the employee is licensed and qualified to perform them, where necessary.
64. The provisions of existing Construction Awards are narrow in this regard and are generally limited to a conventional 'higher duties' provisions. For example, clause 30 of the On-Site Award provides that an employee engaged for more than two hours, during one day on duties carrying a higher rate than the employee's ordinary classification, must be paid the higher rate for the whole day. Otherwise the employee must be paid the higher rate for the time so worked. Clause 23 of the Joinery Award limits directions such that they can only apply to duties that are incidental to their main task or function.

Schedule H.7.1 - Directions to reduce hours of work

65. Schedule H.7.1 provides capacity for an employer to give a direction to an employee not to work on a day or days on which the employee would usually work; or work for a lesser period than the period which the employee would ordinarily work on a particular day or days; or work a reduced number of hours (compared with the employee's ordinary hours of work).
66. A direction made pursuant to clause H.7.1 will only be valid if:
- a) the employee cannot be usefully employed for the employee's normal days or hours during the period of reduced hours because of changes to business attributable to:
 - the COVID-19 pandemic; or
 - government initiatives to slow the transmission of COVID-19; and
 - b) the implementation of the direction is safe, having regard to (without limitation) the nature and spread of COVID-19; and
 - c) the direction is given for a period that consists of or includes the operation of the schedule.
67. The Construction Awards contain no equivalent existing provision and provide a very narrow scope of options to implement alternative working arrangements generally. Clause 31.1 of the Joinery Award is the least restrictive in that it provides some capacity to vary ordinary hours of work and rostering arrangements – however this still requires a written agreement between the employer and a 60% majority of employees and is subject to employees experiencing no loss of pay or status.

Schedule H.7.2 – Ordinary hours of work

68. Schedule H.7.2 provides for an employer and employees to reach agreement as to when ordinary hours of work can be performed over a broader range than those which currently apply.
- a) Clause 33 of the On-Site Award allows for ordinary hours only to be worked between 7am and 6pm, Monday to Friday;
 - b) Clause 21 of the Mobile Cranes Award has a marginally different span of ordinary hours being 6:00am – 6pm Monday to Friday; and
 - c) Notwithstanding there being some capacity for an alternative method of implementing ordinary hours under the Joinery Award, the ordinary hours of work are confined to 7am and 6pm, Monday to Friday.
69. The variation proposed retains the broader parameters as to when ordinary hours of work can be performed (e.g. 38 per week, not more than 5 days per week) but allows these to be worked between 6:00am and 7:00pm Monday to Friday; and on Saturday between 6am and 2pm.
70. The intention of this variation is to broaden the options as to when ordinary hours of work can be performed thereby providing more scope to:
- a) Accommodate disruptions to work arising from COVID-19 impacts;
 - b) Stagger ordinary hours of work to better accommodate WHS obligations, such as social distancing and hygiene; and
 - c) Accommodate other changes to workflow and future work programmes.
71. The variation would also give more capacity for workplaces to embrace alterations to the times during which construction activity can take place, as announced by various local governments. On 2 April 2020, the City of Melbourne announced that it was temporarily adjusting the management of construction activity in certain cases in the municipality “*in a bid to fast-track construction projects, save jobs and help limit the impact of COVID-19*”¹⁸ This allows construction work to occur on:
- a) Weekdays: 6am to 8pm (and up to 10pm for some internal fit out works that are not externally audible e.g. plastering, painting, etc.)
 - b) Saturdays: 7am 5pm (and up to 10pm for some internal fit out works that are not externally audible e.g. plastering, painting, etc.) and
 - c) Sundays: 10am until 4pm for limited activities related to crane works that are unable to be completed during standard hours.
72. The NSW Government similarly announced on 2 April 2020 that construction sites can now operate on weekends and public holidays to support the industry during the COVID-19 pandemic. The *Environmental Planning and Assessment (COVID-19 Development – Construction Work Days*.¹⁹
73. While the building and construction industry welcomed this temporary adjustment to broaden hours in which construction activity can occur, they do not align with the conventional span of hours within Construction Awards.

Schedule H.8 – Location of work

74. Schedule H.8.1 allows employers to direct an employee to perform duties during a period at a place that is different from the employee’s normal place of work.
75. The provision requires that if such a direction is made, the employer must ensure that the location of work is suitable for the employee’s duties and the location does not require the employee to travel an unreasonable distance and safe having regard to the nature and spread of COVID-19.

¹⁸ City of Melbourne, *Construction hours extended in response to COVID-19*. Melbourne.vic.gov.au, online [last accessed 19 June 2020] <https://www.melbourne.vic.gov.au/news-and-media/Pages/Construction-hours-extended-in-response-to-COVID-19.aspx>

¹⁹ Stokes MP, The Hon. Rob (2020), *Environmental Planning and Assessment (COVID-19 Development=Construction Work Days) Order 2020*. NSW Government, online [last accessed 19 June 2020] [https://www.legislation.nsw.gov.au/emergency/Environmental%20Planning%20and%20Assessment%20\(COVID-19%20Development%E2%80%94Construction%20Work%20Days\)%20Order%202020.pdf](https://www.legislation.nsw.gov.au/emergency/Environmental%20Planning%20and%20Assessment%20(COVID-19%20Development%E2%80%94Construction%20Work%20Days)%20Order%202020.pdf)

76. The proposed variation is necessary as aside from Clause 23 - Inclement Weather - the On-Site Award provides no clear, positive right to alter the location of work where it is reasonable and safe to do so. This is in contrast to clause 23.2 of the Joinery Award that allows an employee to be directed to transfer to another job or location, or onto or off a building site at the discretion of the employer, providing the employer provides a safe and healthy working environment.
77. While Master Builders accepts that other parties who maintain an interest in the Construction Awards have a different interpretation as to whether directions to vary work location are already encompassed by the On-Site Award, we say clarity and certainty are nonetheless necessary. Were the Commission to provide any guidance and/or commentary to clarify the issue, this would negate the need for the variation as proposed.

Schedule H.9 – Redundancy

78. Schedule H.9 outlines two options that deal with redundancy payments.
79. Schedule H.9.1 provides for the definition of redundancy within the On-Site Award (which is defined to be any cessation of employment at the initiative of either party for any reason, save for refusal of duty and misconduct) to have no effect and to be temporarily replaced by the definition at s. 389 of the FW Act (which establishes the conventionally accepted definition of redundancy, at the initiative of the employer who no longer requires the persons job to be performed by anyone). The intention of this variation is to:
- a) Minimise the potential for business to be faced with significant financial ramifications (in the form of redundancy payments) during a period where business conditions are already frail;
 - b) Remove any incentive for workers to resign and receive redundancy payments if they are given a direction under the proposed Schedule; and
 - c) Encourage parties to explore options that enable workers and employers to remain connected and with an ongoing relationship.
80. Clause 17.1 of the On-Site Award creates an industry specific redundancy scheme as defined in s. 12 of the FW Act. In accordance with s.123(4)(b) Redundancy pay of Division 11 of the NES do not apply. Clause 17.2 defines redundancy as *“a situation where an employee ceases to be employed by an employer to whom this award applies, other than for reasons of misconduct or refusal of duty. **Redundant** has a corresponding meaning.”*
81. Clause 12.1 of the Mobile Cranes Award also contains an industry specific redundancy scheme, however ‘redundancy’ is defined in a manner more akin to s.389. The Joinery Award contains conventional provisions and therefore the proposed variation is made only with reference to the On-Site Award. Master Builders submits that the temporary definitional variation at schedule Item H.9.1 is appropriate and would operate effectively in context of COVID-19.
82. Further, or in the alternative, Master Builders notes item H.9.2 (variation of redundancy pay for other employment or incapacity to pay) seeks to address a similar mischief by stating clearly that s.120 of the FW Act has application to the redundancy provisions within the On-Site and Mobile Crane Awards.
83. Master Builders submits that s.120 of the FW Act has application to the On-Site and Mobile Crane Awards, and notes a recent decision of Spencer C. [\[2020\] FWC 2546](#) that supports this view. In this matter, the Commission applied s.120(1)(b)(ii) and (3) to an employee covered by the On-Site Award and ordered the redundancy payment of eight (8) weeks be reduced to nil (0).
84. Notwithstanding this outcome, proposed schedule item H.9.2 will arrest any remaining uncertainty on the question of s.120 and its interaction with s.123(4)(b) when considered in context of clause 17.1 of the On-Site Award and clause 12 of the Mobile Cranes Award. We reiterate that item H.9.1 is the preferred option and strongly supported by Master Builders.

H.10 – Casual Employment

85. Schedule H.10.1 provides for a casual employee to be paid for a minimum of two hours' work per engagement, rather than the existing minimum periods.
86. The minimum casual engagement provisions in the Construction Awards as follows:
- a) Clause 14.4 On-Site Award – A casual employee is entitled to payment for a minimum of four hours work per engagement;
 - b) Clause 12.3 – Joinery Award – A casual employee is engaged by the hour with a minimum daily engagement of 7.6 hours; and
 - c) Clause 10.3(e) – Mobile Cranes Award – Casual employees will be engaged for a minimum period of four hours per day.

87. H.11 – Time off instead of payment for overtime

88. H.11.1 and corresponding Schedule I, allow for an employer and employee to agree in writing to the employee taking time off instead of being paid a particular amount of overtime.
89. The provision is in the same form as determined by the Commission in AM2014/260 and will apply from 1 July 2020.

Legislative considerations

90. S.138 of the FW Act requires the Commission to have regard to the modern awards objective at s.134. The modern awards objective is to 'ensure that modern awards, together with the National Employment Standards, provide a fair and relevant minimum safety net of terms and conditions', taking into account the particular considerations identified in ss.134(1)(a)–(h).
91. What is 'necessary' to achieve the modern awards objective in a particular case is a value judgment, taking into account the s.134 considerations to the extent that they are relevant having regard to the context, including the circumstances pertaining to the particular modern award, the terms of any proposed variation and the submissions and evidence.
92. Master Builders submits that consideration as to what is 'fair and relevant' should be judged from time to time taking into account all relevant matters including, but not limited to, the identified factors at s.134.
93. Contextual considerations are key as a determination of what is fair and relevant safety net may alter depending on particular circumstances. Master Builders submits that the circumstances created by COVID-19 are extraordinary and unprecedented, and that a fair and relevant safety net should be considered primarily through an overall lens of seeking to preserve employment and business viability.
94. The FW Act requires the Commission to have regard to the modern awards objective at s.134 in considering this Application.
95. The modern awards objective is to 'ensure that modern awards, together with the National Employment Standards, provide a fair and relevant minimum safety net of terms and conditions', taking into account the particular considerations identified in ss.134(1)(a)–(h). '
96. What is 'necessary' to achieve the modern awards objective in a particular case is a value judgment, taking into account the s.134 considerations to the extent that they are relevant having regard to the context, including the circumstances pertaining to the particular modern award, the terms of any proposed variation and the submissions and evidence.

97. Master Builders submits that consideration as to what is 'fair and relevant' should be judged from time to time taking into account all relevant matters including, but not limited to, the identified factors at s.134.
98. Contextual considerations are key as a determination of what is fair and relevant safety net may alter depending on particular circumstances. Master Builders submits that the circumstances created by COVID-19 are extraordinary and unprecedented, and that a fair and relevant safety net should be considered primarily through an overall lens of seeking to maintain employment and business viability. An inherent part of achieving these goals for workplaces at present is a need to consider and account for matters in the future. This provides workplaces the opportunity to implement arrangements that can minimise, limit or avoid any future adverse impacts which are foreseeable or likely.
99. Overall, Master Builders submits the variations sought to the Construction Awards are the most appropriate and fair approach to maintain employment and business viability in context of COVID-19 both presently and for the future.
100. If granted, we submit that the variations sought will assist building and construction workplaces better accommodate the range of significant and adverse consequences it has experienced arising from the pandemic.
101. Further, and equally importantly, the variations sought will assist sector workplaces to account for the future impacts forecast to arise from a range of worsening conditions and provide more options to minimise, limit or avoid these in the future.

Section 134 considerations

134(a) relative living standards and the needs of the low paid;

102. The following section deals with relevant items of the Modern Award Objective at s.134. Master Builders makes no submission with respect to those not directly addressed below.

134(b) the need to encourage collective bargaining; and

103. As short-term measures, the Applicants' claim would neither encourage nor discourage collective bargaining.

134(c) the need to promote social inclusion through increased workforce participation; and

104. Master Builders submits that this consideration should be seen in the context of seeking to maintain employment rather than losing employment. The Applicant's claim would ensure the Construction Awards better support this objective through the adoption of arrangements that maximise the opportunity for some workforce participation, as opposed to no participation.
105. Temporary alterations to casual minimum engagement provisions is a clear example that will promote greater opportunities to work, particularly in relation to the Joinery Award which requires casuals to be engaged for a minimum of 7.6 hours.

134(d) the need to promote flexible modern work practices and the efficient and productive performance of work; and

106. The Applicants claim would ensure the Construction Awards promote flexible, efficient and productive practices in building and construction workplaces.
107. COVID-19 is contemporary and unprecedented, and the attributable impacts on industry workplaces have been adverse and may worsen. Unlike many other industry sectors, most work performed within the industry cannot be done at home or remotely and must be performed on site. Efficiency has been reduced as industry workplaces implement arrangements to accommodate necessary social distancing and hygiene obligations which, combined with travel restrictions and supply chain disruptions, negatively impacts productive work.

108. Broader options as to the range ordinary hours during which work can be performed will give workplaces better capacity to address these impacts by, for example, enabling them to take up temporary changes made to local regulations as to times when building work is permitted.
109. Increased capacity to direct when accrued annual leave or RDOs are taken will temporarily avoid the need for either giving eight weeks' notice to someone who must have more than that total amount of leave accrued in the first instance to be subject to such direction, or allows for an RDO to be taken by an employee which avoids requiring the majority of their workmates to agree and also change the day.
110. Similarly, directions as to the amount of hours, locations and duties of work performed will promote flexible, efficient and productive work practices by broadening scope for the nature, location and length of work to adjust or accommodate COVID-19 impacts as they arise, and plan for future impacts that are foreseeable to minimise, limit or avoid any consequences which may be otherwise more severe.
111. Giving workplaces more options as we seek will, collectively and individually, operate to promote flexible, efficient and productive work and temporarily overcome existing narrow (or frequently non-existent) options.

134(da) the need to provide additional remuneration for

- (i) employees working overtime; or
- (ii) employees working unsocial, irregular or unpredictable hours; or
- (iii) employees working on weekends or public holidays; or
- (iv) employees working shifts; and

112. COVID-19 necessitates a focus on ensuring the Construction Awards maximise the opportunities for work and minimise impacts on the workplace, including levels of remuneration. The variations achieve this by allowing for work to be performed at times where there would otherwise be no work performed.

134 (f) the likely impact of any exercise of modern award powers on business, including on productivity, employment costs and the regulatory burden; and 134 (g) the need to ensure a simple, easy to understand, stable and sustainable modern award system for Australia that avoids unnecessary overlap of modern awards; and

113. The Application seeks changes that promote greater flexibility to increase productivity, or in the alternative, arrest declines in productivity. We submit the variations will limit employment costs in a way that is fair and reasonable to all workplace participants, particularly when considered against the costs of not doing so.

114. The Application will reduce or assist the regulatory burden on business in two main ways.
- a) First, it will ensure that there is broad consistency amongst industry workplaces insofar as options to manage COVID-19 both presently and for the period in which the proposed Schedule operates. This will also assist circumstances where multiple businesses are working on the same site.
 - b) Second, the changes proposed have deliberately sought to mimic practices and processes that have been determined, previously considered or implemented elsewhere. For example, the schedule reflects the provisions of Part 6-4C as far as practicable, the operation of which is widely known in the community generally.

134(h) the likely impact of any exercise of modern award powers on employment growth, inflation and the sustainability, performance and competitiveness of the national economy.

115. The variations sought would ensure the Construction Awards give workplaces a greater range of options that will assist in navigating COVID-19 challenge. This will boost the prospects of maintaining workforce contact, minimising job losses, and maintaining business viability. We submit this will have either positive impact on these considerations, or at the very least arrest or limit further declines.

MASTER BUILDERS AUSTRALIA

IN THE FAIR WORK COMMISSION

s. 157 – FWC may vary etc. modern awards if necessary to achieve modern awards objective

AM2020/28 – Application by: Master Builders Australia & Housing Industry Association and Another

Building and Construction On-Site Award 2010, Joinery and Building Trades Award 2010, Mobile Crane Hiring Award 2010.

Statement of Shane William Garrett

On 19 June 2020, I, Shane William Garrett of Master Builders Australia ('Master Builders'), 44 Sydney Avenue Forrest ACT, make the following statement.

1. I have been employed by Master Builders since October 2018 and hold the position of Chief Economist. I have a Bachelor level degree in Mathematics and Economics from University College Cork, Ireland and a Masters' degree in Business Economics from University College Cork, Ireland.
2. Master Builders is the peak industry association for the building and construction industry and the only such association that covers all three major industry sub-sectors, being residential, commercial, and engineering construction.
3. Prior to being employed by Master Builders, I worked as Senior Economist for the Housing Industry Association ('HIA') for over 5 years and have approximately 7 and a half years of experience as an economist in the building and construction industry ('BCI').
4. The major focus of my role as Chief Economist is to provide advice on economic policy relevant to the BCI, undertake data analysis, and oversee the publication of industry forecasts.
5. I am aware that Master Builders and others have filed an application in the Fair Work Commission to temporarily vary the Construction Awards to deal with some of the challenges businesses are facing due to COVID-19.
6. I make the following comments in support of the changes sought by Master Builders, based on my extensive experience as an economist and knowledge of industry economic conditions.

Current impact of COVID-19 on the economy

7. There is a wide range of data that shows a general deterioration of conditions in the Australian economy in recent months.
8. Australia's labour market has deteriorated rapidly in 2020. According to ABS Labour Force data published for May 2020, the seasonally adjusted unemployment rate rose from 5.1% in February 2020 to 7.1% in May 2020 – the highest unemployment rate since October 2001.

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9. Between February 2020 and May 2020, latest ABS data shows that 838,254 jobs were lost (in seasonally-adjusted terms) across the economy – equivalent to about 6.5% of all jobs that were in Australia during February 2020.
10. The latest Reserve Bank forecasts suggest that total employment will have dropped by 7% over the June 2020 quarter compared with the same period last year.
11. For the first time since 1991, Australia’s economy is likely to be in recession. According to ABS data, during the March 2020 quarter the volume of GDP shrank by 0.3%.

Current impact of COVID-19 on the building and construction industry

12. The COVID-19 pandemic has had a significant and adverse impact on the BCI.
13. The latest ABS data (*Weekly Payroll Jobs and Wages in Australia, Week ending 30 May 2020* catalogue number 6160.0.55.001) indicates that between 14 March 2020 and 30 May 2020, total construction employment across Australia dropped by 5.8% (amongst businesses that are Single Touch Payroll enabled).
14. Given that total construction employment was estimated at 1,184,184 during February 2020, the latest estimates imply that around 69,513 construction jobs were lost between 14 March 2020 and 30 May 2020. So far, this is the biggest drop in construction employment since the GFC.
15. Latest ABS data also indicates that new home building starts totalled 41,612 (seasonally adjusted) during the December 2019 quarter. This was 32.7% lower than during the peak which was reached in early 2018.
16. During April 2020, the value of approvals for commercial building work (in seasonally-adjusted terms) also fell by 11.9% compared with March 2020 and was 16.4% lower than in the same month a year earlier.

Forecasted impact of COVID-19 on the economy

17. Whether or not we are in recession cannot be determined until GDP results for the June 2020 quarter are published. However, in my view it is likely that GDP will have contracted again during the June 2020 quarter. In its latest *Statement of Monetary Policy* (May 2020), the Reserve Bank forecasts that GDP in the June 2020 quarter will be down by 8% compared with a year earlier.
18. The Reserve Bank also forecasts that the annual rate of consumer price inflation is set to average minus (-) 1% during the June 2020 quarter. This is due to a number of factors, including:
 - The sharp reduction in demand right across the Australian economy as a result of Covid-19;
 - Depressed oil prices on world markets;
 - The strong gain in the Australian dollar’s exchange rate since late March which is likely to dampen import prices; and
 - Very weak rental price increases. Even before Covid-19, rental inflation was at its lowest in almost 50 years. The collapse in arrivals of tourists, overseas

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migrants and international students caused by Covid-19 is putting heavy downward pressure on rents.

19. The Reserve Bank's latest 'baseline' forecasts indicate that the unemployment rate is currently rising rapidly and is expected to average 10% across the June 2020 quarter before declining slowly thereafter.

Forecasted impact of COVID-19 on the building and construction industry

20. In general, building activity is more sensitive to changes in the economic environment compared with most sectors, as:
- For households, building work involves significant expenditures and the taking on of additional debt;
 - For businesses, the viability of proceeding with building work is dependent on future economic prospects;
 - In the current context, the heavy volume of recent job losses (and the expectation of more to come) as well as reductions in household income have reduced demand for 'big ticket' items like building work; and
 - Similarly, uncertainty about future business conditions mean that many businesses will not proceed with major financial commitments like building work.
21. Forecasts released by Master Builders Australia in late April 2020 suggested that Covid-19 would drive down new home building starts to a low of 115,822 during the 2020-21 financial year. This would be 35,950 fewer homes than in the previous financial year, and would have been the weakest year for new home building in about two decades.
22. It is important to note that the latest Master Builders Australia forecasts were completed before the announcement of the Homebuilder stimulus package. Following the announcement of HomeBuilder, there is evidence that the prospects for residential building have improved significantly.
23. In addition, commercial building activity has already started to decline pre-Covid with several areas at risk of further major deterioration.
24. Subsectors of commercial building like offices, accommodation, transport buildings, entertainment, recreation and some retail are likely to face considerable reductions in activity over the short term as a result of Covid-19. However, there is potential for government-dependent areas of commercial building to perform well as a result of stimulus.
25. As with commercial building, private sector financed civil construction projects are likely to struggle due to the deterioration in the economic environment over recent months, particularly in the sectors of the economy most hurt by Covid-related restrictions. However, a major programme of government-backed transport infrastructure investment was already ramping up prior to Covid. This, plus any additional government stimulus, have the potential to offset some of the declines in private sector projects.

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26. Attached hereto marked "A" is the forecast referenced above as prepared in April 2020. These forecasts represent an update to the set of projections to 2024/25 which were published in February 2020 just prior to COVID-19.
27. The forecast overview notes that the huge reverses in private sector investment will outweigh the possible expansions in government driven projects and the commercial building volumes are likely to be quite depressed over the three-year period between 2020/21 and 2022/23.
28. The next 12 months will be a crucial time for the building and construction industry. A large proportion of building activity under way commenced before COVID-19, however forward work orders appear to be below conventional levels.
29. Between 8th April 2020 and 15 April 2020, Master Builders surveyed members as to the levels of forward work for the remainder of 2020. In total 798 responses were received. Of those who took part, 73.7% indicated that the amount of forward work on their books had fallen since the start of the Covid-19 crisis. Overall, 41.5% of respondents had experienced a decline of at least 30% in the amount of forward work on their books.
30. As more and more existing works reach completion, the impact of deteriorating conditions will become more apparent to workplaces in building and construction, particularly over the next 3-6 months.

19 June 2020

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"A"



MASTER BUILDERS
A U S T R A L I A

MASTER BUILDERS AUSTRALIA UPDATED INDUSTRY FORECASTS TO 2024/25 – APRIL 2020

OVERVIEW

These forecasts represent an update to the set of projections to 2024/25 which were published in February 2020. The update is necessitated by the huge change in economic conditions which has unfolded since the beginning of March amid the global spread of coronavirus. It must be stressed that the outset that the economic environment is highly uncertain and that there is a strong possibility that the ultimate performance of construction could differ significantly from these forecasts.

The set of forecasts released in February envisaged that new home building activity would bottom out during the 2020/21 financial year before embarking on a strong recovery with new dwelling starts exceeding 200,000 per year by the 2024/25 year.

With the Covid-19 crisis breaking towards the end of the 2019/20 financial year, we anticipate that the sudden and sharp nature of its impacts mean that new home building starts will hit a low of just under 116,000 in 2020/21 (compared with about 159,000 in our original set of forecasts). As stimulus unfolds and restrictions are lifted, activity is expected to recover during 2021/22. The tapering off of stimulus means that the recovery is likely to lose momentum during 2022/23 but thereafter the return to robust population growth and gains in employment will help propel new home building considerably higher and by 2024/25 activity will be close to reverting to the long-term home building trajectory set out in the February 2020 set of forecasts.

Before the Covid-19 crisis broke, commercial building activity was at a record high and the set of forecasts released in February envisaged that activity would fall back over the next few years.

The commercial building landscape is changed hugely by the crisis: private sector-led projects are likely to suffer due to the very uncertain economic backdrop. In particular, activities like tourism, recreation and entertainment have particularly poor prospects given the combination of enforced closures, restrictions on travel as well as the reduced willingness of large numbers of consumers to engage in non-essential expenditure.

On the other hand, the public sector dominates important areas of commercial building like health and education and the short term prospects for these are much improved given that government stimulus is likely to be heavy here.

The updated forecasts for commercial building are shown below. Overall, the huge reverses in private sector investment will outweigh the possible expansions in government driven projects and the commercial building volumes are likely to be quite depressed over the three-year period between 2020/21 and 2022/23. Thereafter, a reasonably emphatic recovery is likely to resume as the economy returns to its long-run trajectory.

Comparison of Master Builders Forecasts for New Home Building: Before and After Covid 19				
	Pre-Covid19 Forecast (February 2020)	Updated Master Builders Forecasts (April 2020)	Forecast Downgrade	Forecast Downgrade (%)
2019/20	160,132	151,772	-8,360	-5.2%
2020/21	159,268	115,822	-43,446	-27.3%
2021/22	169,026	133,719	-35,307	-20.9%
2022/23	181,838	137,425	-44,413	-24.4%
2023/24	193,632	152,922	-40,709	-21.0%
2024/25	203,909	178,220	-25,689	-12.6%

Source: Master Builders Australia analysis

Revised Forecasts for New Home Building Commencements to 2024/25 (April 2020)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
New South Wales	62,588	44,844	33,253	38,130	38,925	43,187	50,068
Victoria	62,148	49,425	39,944	44,417	45,305	49,520	56,319
Queensland	36,421	26,824	18,585	24,414	26,222	30,870	38,627
South Australia	10,105	10,396	6,534	6,976	6,967	7,401	8,115
Western Australia	15,490	12,474	10,898	12,654	12,909	14,367	16,717
Tasmania	3,026	2,909	2,102	2,227	2,225	2,363	2,588
Northern Territory	646	511	423	608	645	773	991
ACT	6,007	4,388	4,084	4,292	4,228	4,440	4,795
AUSTRALIA	196,431	151,772	115,822	133,719	137,425	152,922	178,220

Source: Master Builders Australia

**Change Compared with Previous Year (%): Revised Master Builders
Forecasts for New Home Building Starts to 2024/25**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
New South Wales	-28.3%	-25.8%	14.7%	2.1%	11.0%	15.9%
Victoria	-20.5%	-19.2%	11.2%	2.0%	9.3%	13.7%
Queensland	-26.4%	-30.7%	31.4%	7.4%	17.7%	25.1%
South Australia	2.9%	-37.2%	6.8%	-0.1%	6.2%	9.6%
Western Australia	-19.5%	-12.6%	16.1%	2.0%	11.3%	16.4%
Tasmania	-3.9%	-27.8%	5.9%	-0.1%	6.2%	9.5%
Northern Territory	-20.9%	-17.3%	43.8%	6.0%	20.0%	28.2%
ACT	-27.0%	-6.9%	5.1%	-1.5%	5.0%	8.0%
AUSTRALIA	-22.7%	-23.7%	15.5%	2.8%	11.3%	16.5%

Source: Master Builders Australia

New Home Building Starts in Australia: Comparison of Previous and Updated Master Builders Forecasts to 2024/25



Commercial Building: Comparison of Master Builders Forecasts Before and After Covid 19				
	Pre-Covid19 Forecast (February 2020)	Updated Master Builders Forecasts (April 2020)	Forecast Downgrade	Forecast Downgrade (%)
2019/20	\$47.3 billion	\$44.7 billion	-\$2.58 billion	-5.5%
2020/21	\$45.8 billion	\$38.6 billion	-\$7.18 billion	-15.7%
2021/22	\$43 billion	\$38 billion	-\$4.94 billion	-11.5%
2022/23	\$40.6 billion	\$38.2 billion	-\$2.47 billion	-6.1%
2023/24	\$41 billion	\$39.3 billion	-\$1.7 billion	-4.1%
2024/25	\$43.2 billion	\$41.3 billion	-\$1.95 billion	-4.5%

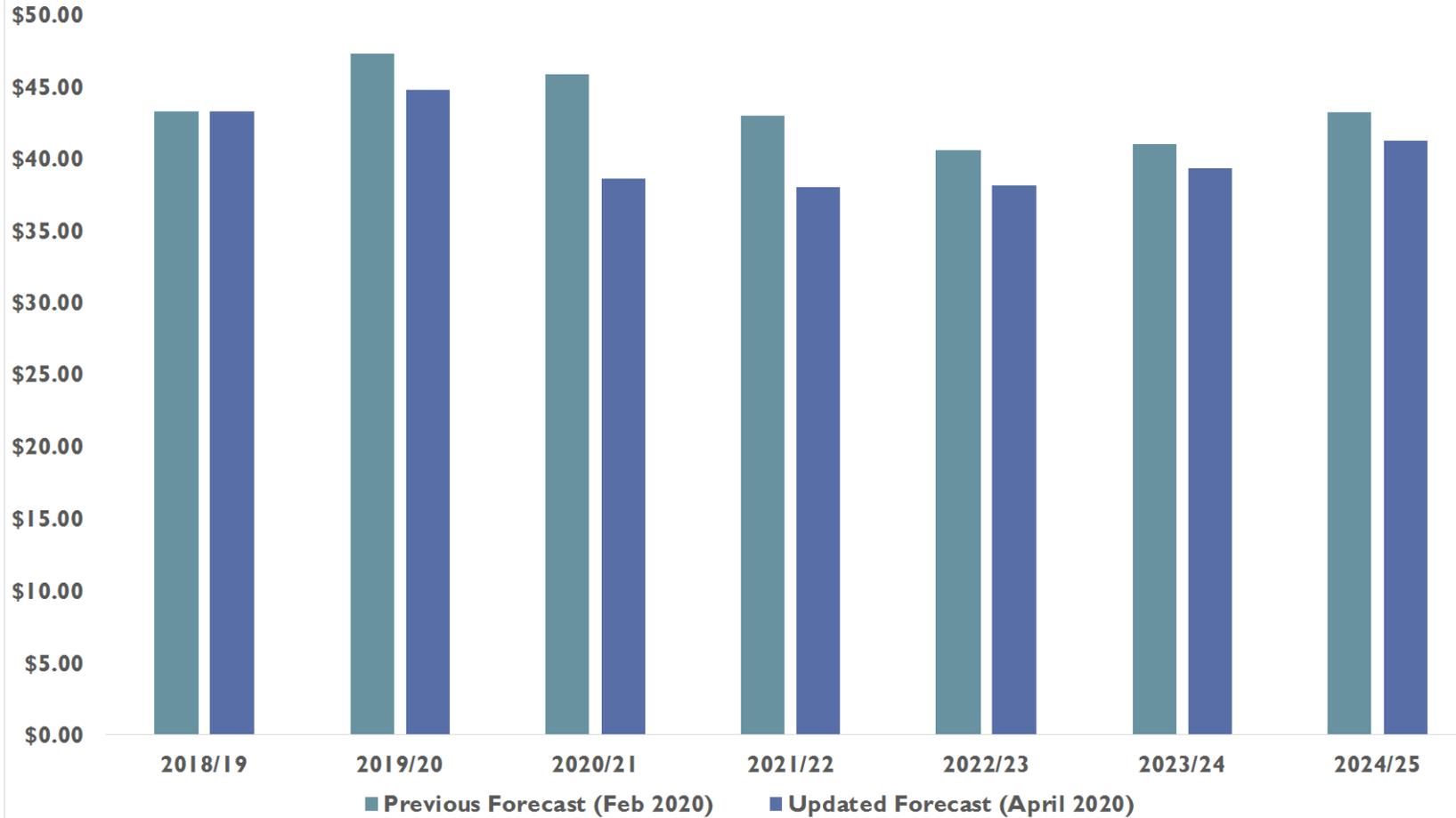
Source: Master Builders Australia analysis

**Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 -
Australia Total (Millions of dollars)**

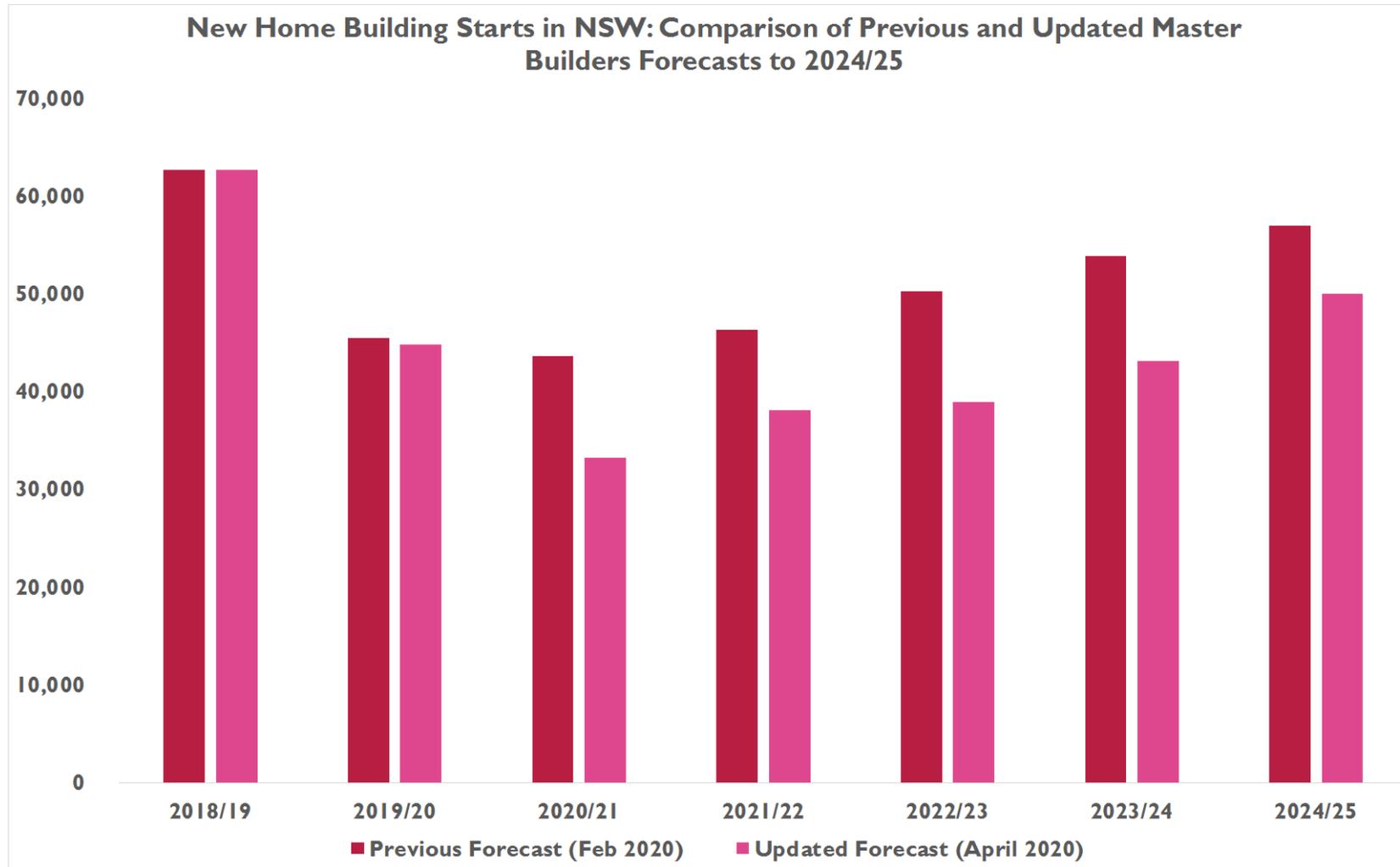
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$44,720.1	\$38,649.2	\$38,026.2	\$38,154.2	\$39,338.7	\$41,253.0
Retail & wholesale trade	\$5,829.5	\$5,523.9	\$5,559.5	\$5,685.6	\$5,867.7	\$6,191.2
Transport buildings	\$1,068.0	\$605.9	\$586.8	\$649.5	\$679.8	\$711.8
Offices	\$7,698.7	\$4,873.8	\$4,644.0	\$4,193.2	\$4,149.5	\$4,440.1
Other commercial	\$590.4	\$348.2	\$348.0	\$395.1	\$436.1	\$424.5
Factories	\$1,215.3	\$909.6	\$891.9	\$877.4	\$855.9	\$834.7
Warehouses	\$4,619.1	\$3,844.6	\$3,283.8	\$3,467.8	\$3,659.7	\$3,730.6
Agriculture and aquaculture	\$304.4	\$308.2	\$244.5	\$242.4	\$261.4	\$291.3
Other industrial	\$944.3	\$855.2	\$823.3	\$841.1	\$928.3	\$1,080.3
Education	\$7,676.5	\$8,846.8	\$9,200.7	\$9,568.7	\$9,951.4	\$10,349.5
Religion	\$158.8	\$107.5	\$102.6	\$107.6	\$138.2	\$130.7
Aged care facilities	\$2,089.7	\$2,401.1	\$2,521.2	\$2,528.7	\$2,691.2	\$2,813.7
Health facilities (non-aged care)	\$3,663.5	\$5,589.1	\$5,779.9	\$5,779.9	\$5,779.9	\$6,042.7
Entertainment & Recreation	\$2,719.5	\$1,111.4	\$1,134.3	\$998.3	\$921.4	\$977.1
Accommodation	\$3,583.1	\$1,142.1	\$806.6	\$674.9	\$749.9	\$772.5
Other non-residential	\$2,559.2	\$2,181.7	\$2,099.2	\$2,143.9	\$2,268.4	\$2,462.4

Source: Master Builders Australia

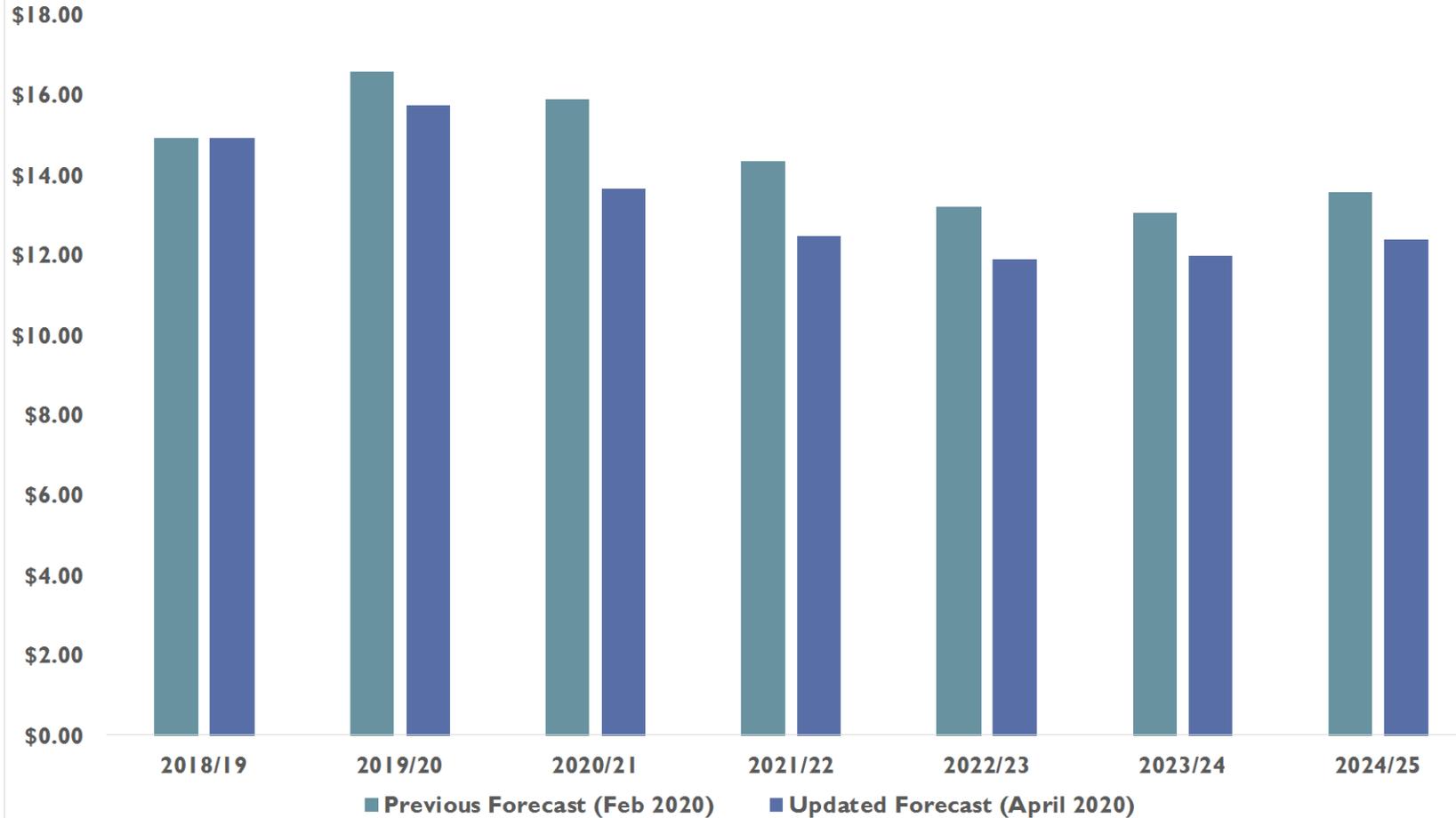
Commercial Building Activity in Australia: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)



NEW SOUTH WALES



Commercial Building Activity in NSW: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)

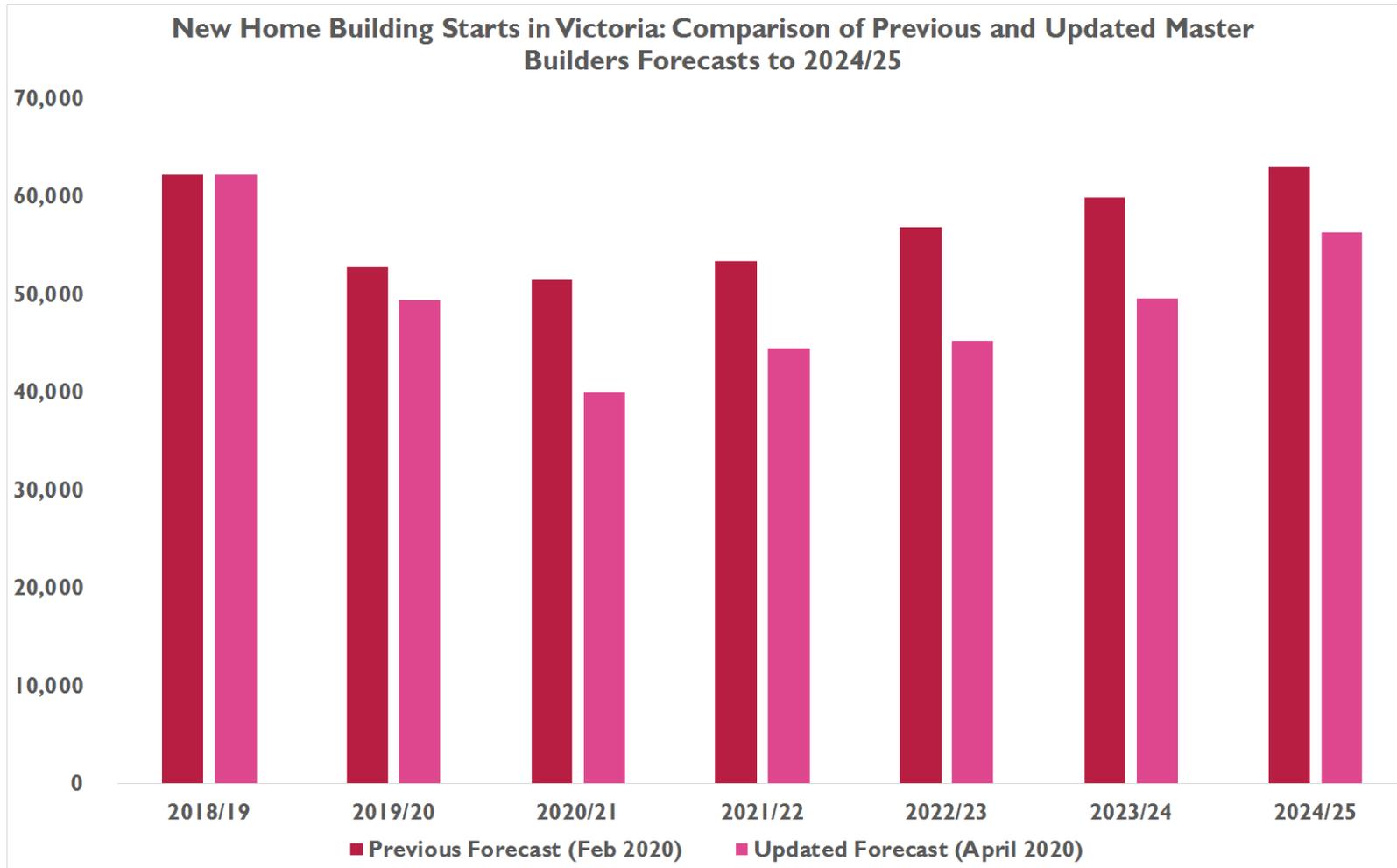


**Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 -
New South Wales (Millions of dollars)**

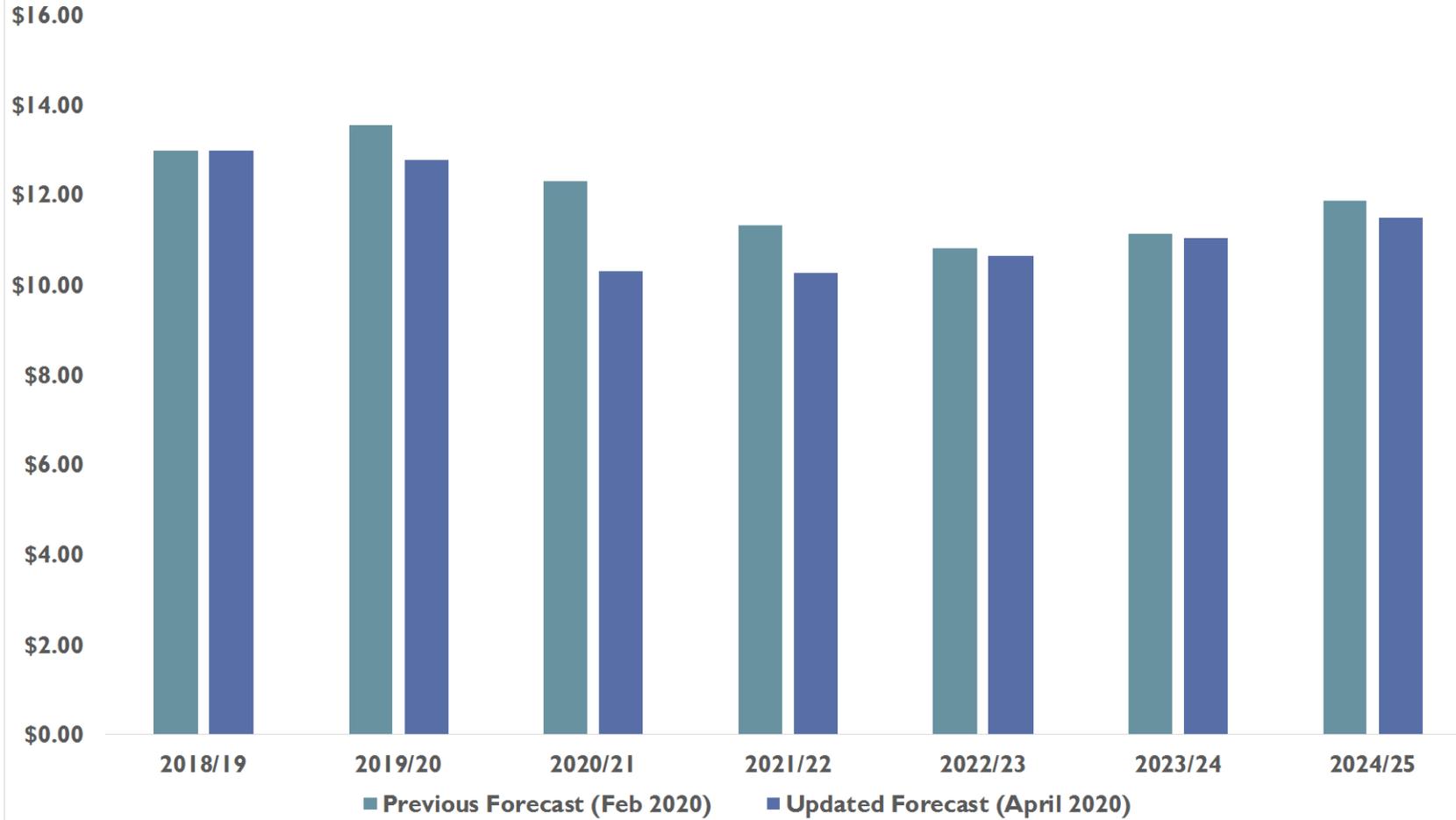
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$15,743.1	\$13,651.4	\$12,472.8	\$11,905.4	\$11,983.0	\$12,388.3
Retail & wholesale trade	\$1,849.0	\$1,671.5	\$1,670.6	\$1,616.2	\$1,698.1	\$1,863.3
Transport buildings	\$310.4	\$152.2	\$219.7	\$316.2	\$329.9	\$323.5
Offices	\$2,996.2	\$1,899.4	\$1,797.7	\$1,500.8	\$1,339.0	\$1,408.6
Other commercial	\$258.2	\$132.8	\$139.3	\$171.0	\$190.9	\$171.6
Factories	\$208.6	\$241.2	\$264.7	\$248.9	\$204.0	\$168.5
Warehouses	\$1,819.7	\$1,427.4	\$1,120.1	\$1,218.9	\$1,219.0	\$1,146.7
Agriculture and aquaculture	\$55.8	\$50.1	\$34.5	\$46.8	\$42.2	\$39.9
Other industrial	\$375.9	\$322.9	\$301.8	\$334.1	\$384.5	\$463.8
Education	\$2,511.5	\$2,913.5	\$2,582.0	\$2,325.2	\$2,193.2	\$2,193.2
Religion	\$67.0	\$46.4	\$39.7	\$41.8	\$62.2	\$52.1
Aged care facilities	\$701.8	\$825.2	\$873.1	\$876.1	\$939.2	\$941.4
Health facilities (non-aged care)	\$1,788.9	\$2,565.7	\$2,134.9	\$2,012.4	\$2,154.4	\$2,304.1
Entertainment & Recreation	\$1,005.8	\$434.3	\$422.8	\$341.8	\$334.0	\$383.9
Accommodation	\$898.5	\$283.2	\$222.3	\$239.5	\$251.6	\$241.2
Other non-residential	\$895.7	\$685.6	\$649.6	\$615.7	\$640.8	\$686.5

Source: Master Builders Australia

VICTORIA



Commercial Building Activity in Victoria: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)

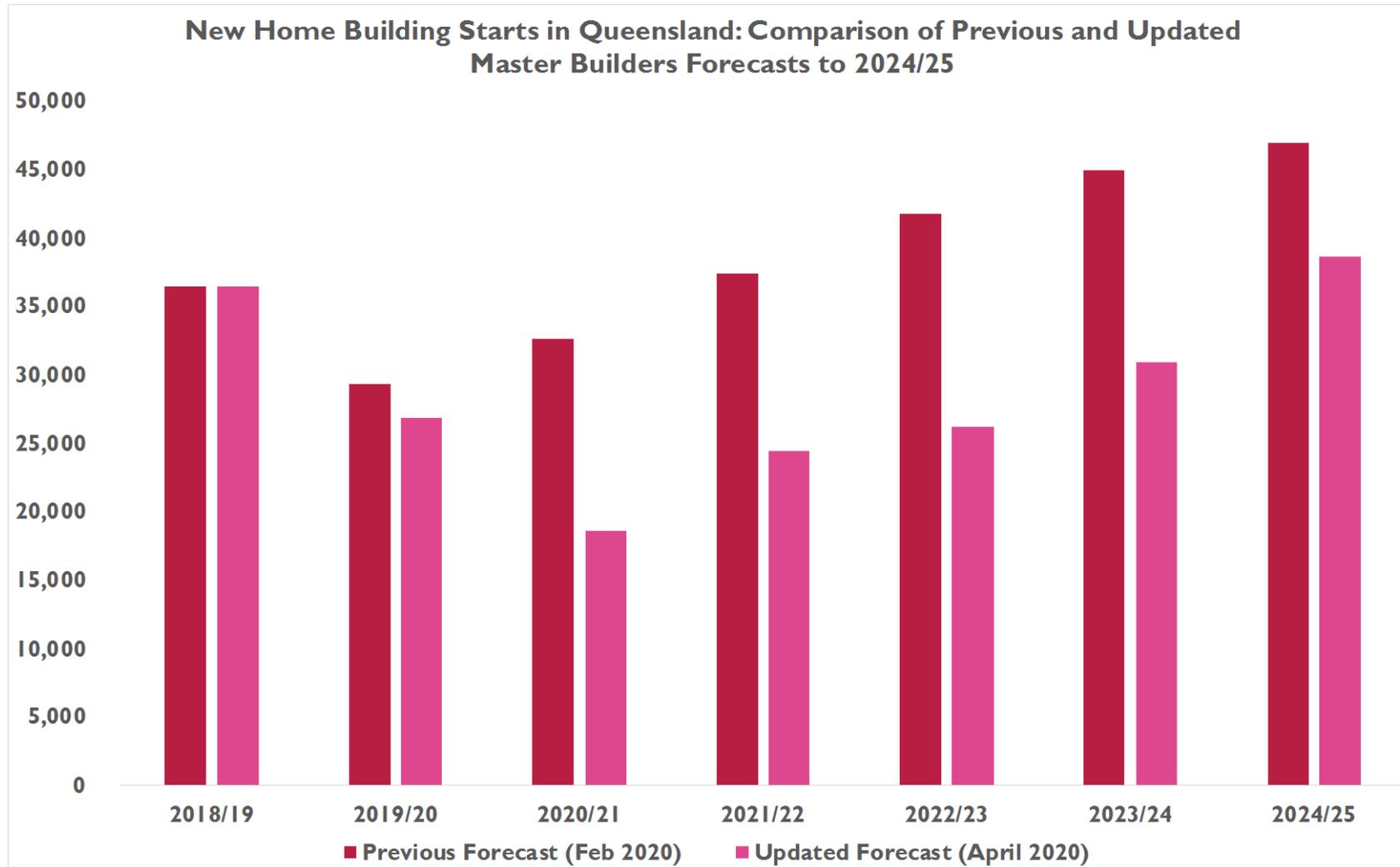


**Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 -
Victoria (Millions of dollars)**

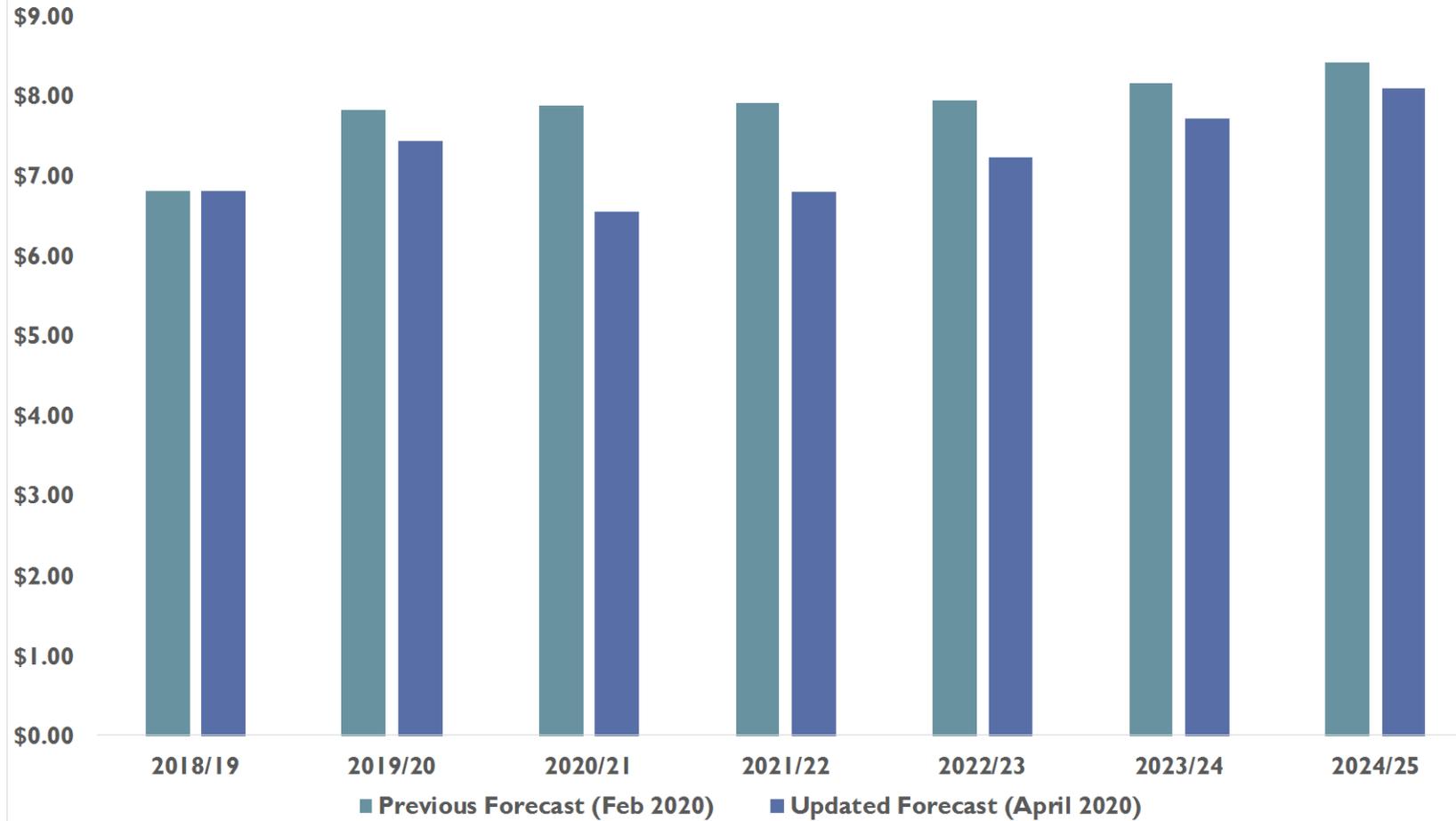
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$12,780.8	\$10,310.9	\$10,274.0	\$10,663.4	\$11,028.0	\$11,515.6
Retail & wholesale trade	\$1,384.7	\$1,400.7	\$1,510.6	\$1,541.4	\$1,551.9	\$1,607.5
Transport buildings	\$238.8	\$142.2	\$135.6	\$123.0	\$138.7	\$153.2
Offices	\$2,444.8	\$1,507.1	\$1,305.9	\$1,250.2	\$1,366.5	\$1,550.9
Other commercial	\$93.5	\$78.4	\$62.1	\$69.7	\$89.1	\$98.0
Factories	\$367.9	\$220.4	\$224.5	\$217.2	\$226.7	\$215.9
Warehouses	\$1,454.7	\$1,211.2	\$978.0	\$1,045.8	\$1,180.2	\$1,291.1
Agriculture and aquaculture	\$137.5	\$138.2	\$101.0	\$81.4	\$87.6	\$101.4
Other industrial	\$146.6	\$77.5	\$72.0	\$74.5	\$82.4	\$100.8
Education	\$2,454.3	\$2,453.1	\$2,652.8	\$2,998.3	\$3,116.7	\$3,151.7
Religion	\$18.0	\$22.0	\$26.4	\$28.6	\$34.8	\$36.5
Aged care facilities	\$508.9	\$670.1	\$737.0	\$730.2	\$790.2	\$835.1
Health facilities (non-aged care)	\$730.9	\$1,300.2	\$1,579.7	\$1,692.6	\$1,461.2	\$1,400.2
Entertainment & Recreation	\$708.8	\$276.2	\$236.5	\$209.7	\$208.4	\$222.8
Accommodation	\$1,428.4	\$337.2	\$209.1	\$129.0	\$150.5	\$172.0
Other non-residential	\$663.0	\$476.5	\$442.8	\$471.9	\$543.1	\$578.5

Source: Master Builders Australia

QUEENSLAND



Commercial Building Activity in Queensland: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)



Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 - Queensland (Millions of dollars)

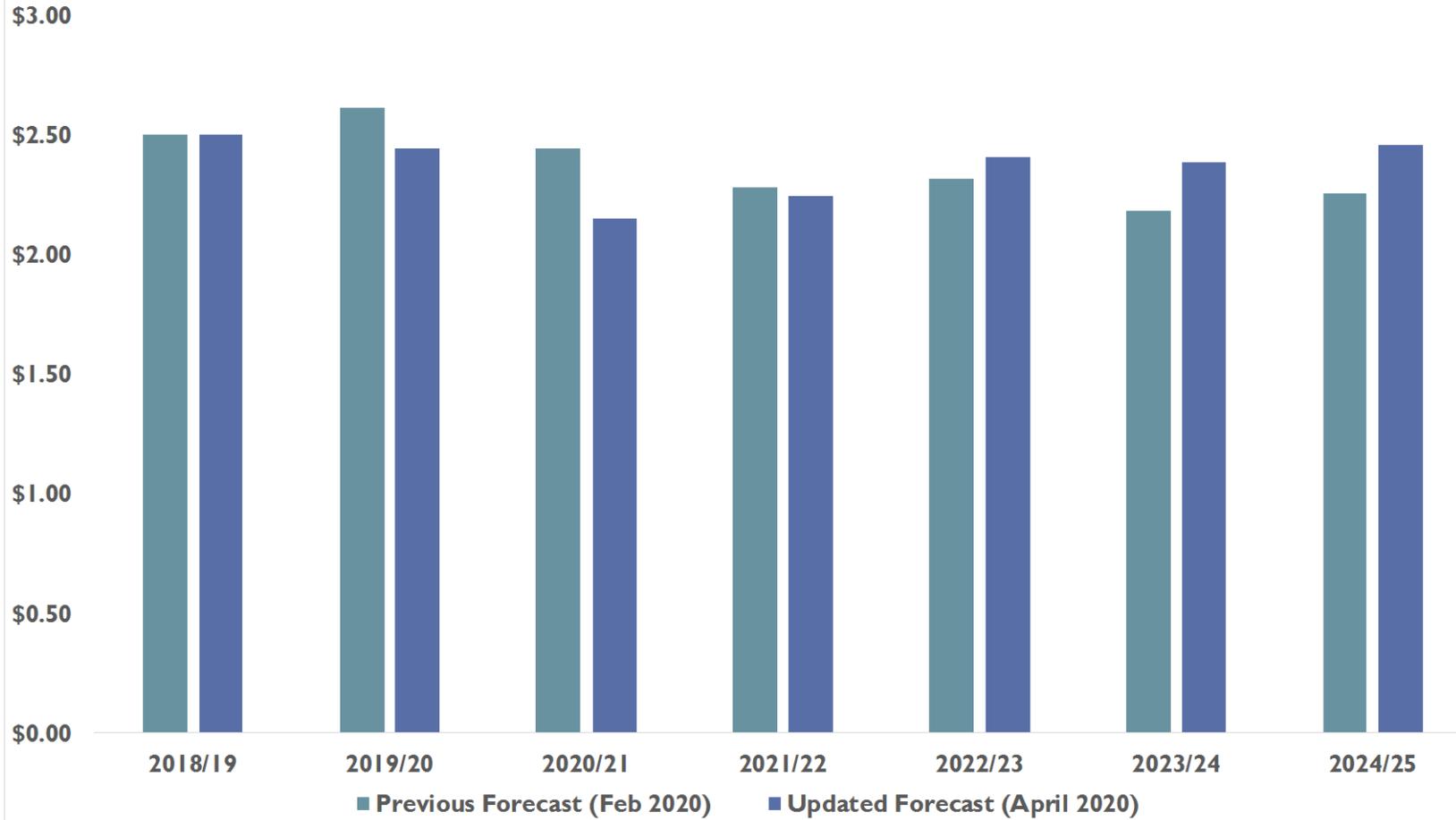
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$7,448.0	\$6,552.9	\$6,807.9	\$7,233.1	\$7,720.7	\$8,105.8
Retail & wholesale trade	\$1,048.0	\$1,127.9	\$1,278.8	\$1,333.2	\$1,332.8	\$1,414.4
Transport buildings	\$262.9	\$181.3	\$121.0	\$115.2	\$112.1	\$111.6
Offices	\$968.8	\$642.6	\$692.4	\$600.9	\$643.7	\$657.0
Other commercial	\$76.0	\$63.9	\$67.4	\$72.1	\$71.6	\$69.2
Factories	\$308.7	\$199.3	\$206.2	\$219.5	\$225.1	\$233.4
Warehouses	\$663.8	\$621.6	\$647.6	\$663.5	\$658.2	\$640.4
Agriculture and aquaculture	\$38.4	\$46.6	\$44.2	\$44.7	\$46.9	\$47.0
Other industrial	\$193.4	\$197.1	\$213.7	\$214.3	\$202.8	\$205.1
Education	\$1,414.2	\$1,461.2	\$1,489.5	\$1,707.9	\$1,964.8	\$2,098.9
Religion	\$35.1	\$18.7	\$18.8	\$19.0	\$19.2	\$19.3
Aged care facilities	\$368.1	\$413.4	\$423.3	\$437.6	\$459.3	\$495.4
Health facilities (non-aged care)	\$699.0	\$741.6	\$784.1	\$944.1	\$1,048.6	\$1,136.2
Entertainment & Recreation	\$412.8	\$201.1	\$220.6	\$210.3	\$167.3	\$146.3
Accommodation	\$496.8	\$189.0	\$158.7	\$178.9	\$211.6	\$202.2
Other non-residential	\$461.9	\$447.6	\$441.6	\$471.9	\$556.7	\$629.3

Source: Master Builders Australia

SOUTH AUSTRALIA



Commercial Building Activity in South Australia: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)

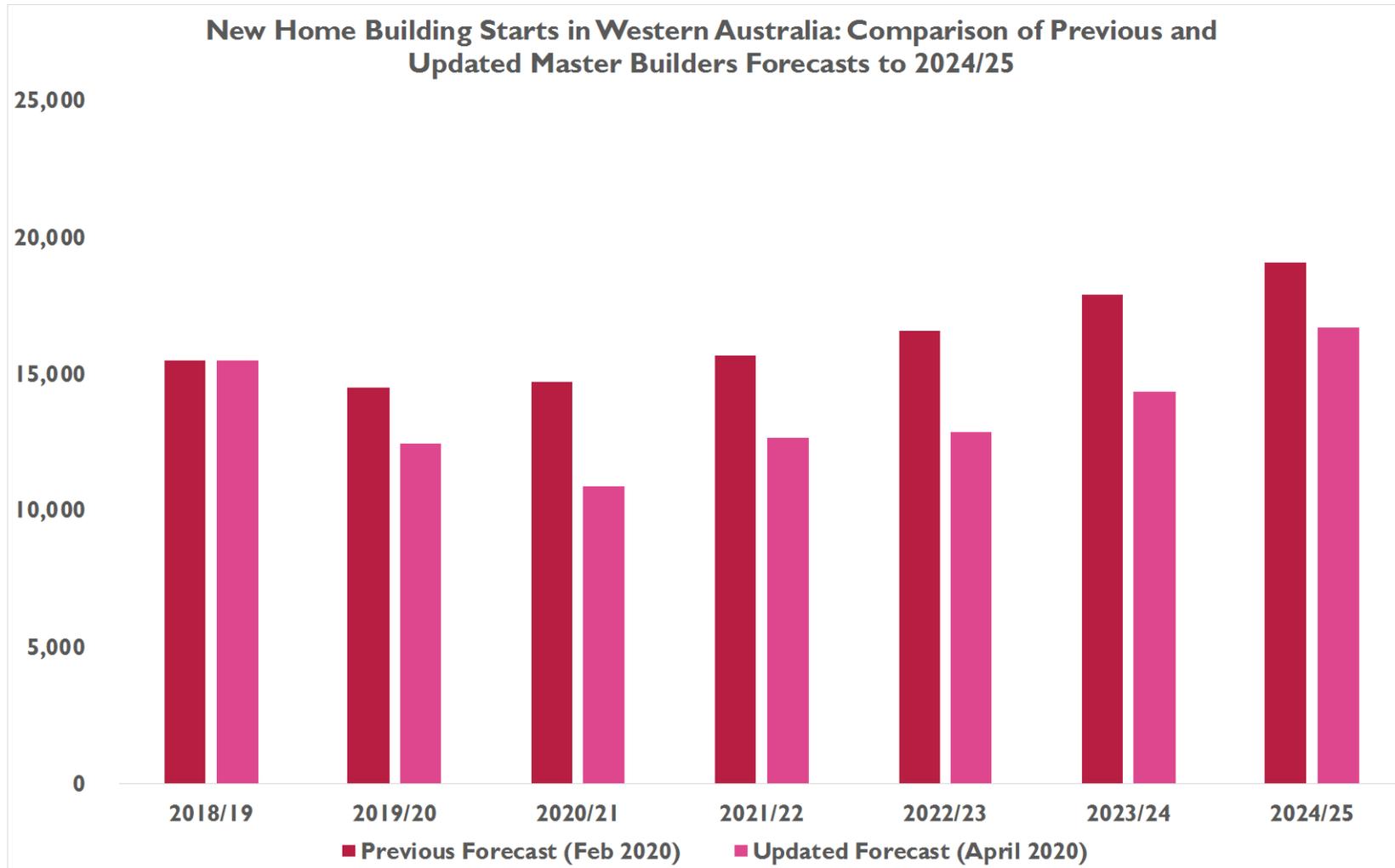


Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 - South Australia (Millions of dollars)

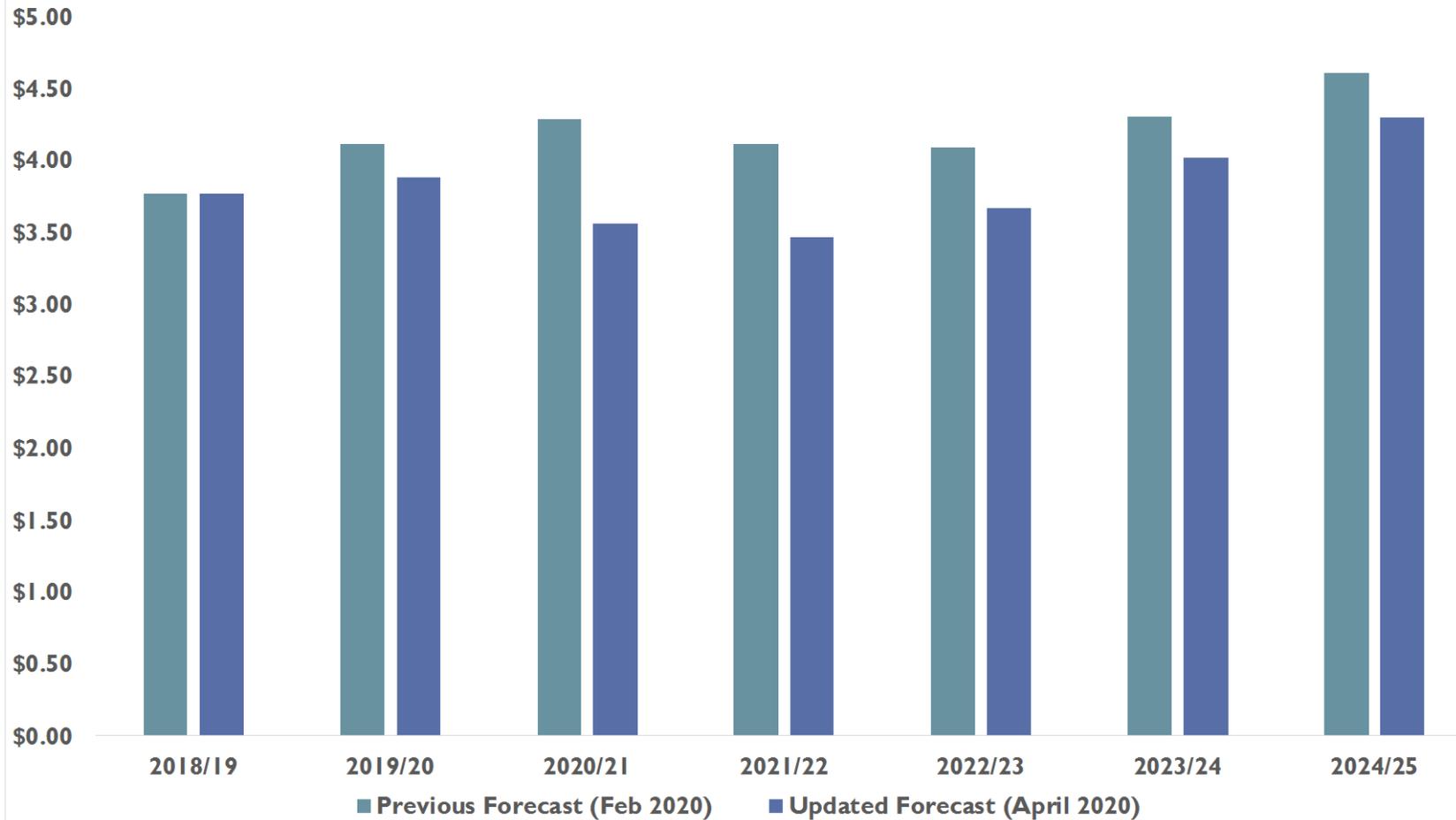
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$2,443.3	\$2,154.5	\$2,246.7	\$2,410.7	\$2,385.4	\$2,460.7
Retail & wholesale trade	\$333.3	\$300.1	\$264.4	\$248.1	\$258.5	\$280.5
Transport buildings	\$91.4	\$30.3	\$16.2	\$15.6	\$18.2	\$23.1
Offices	\$297.5	\$144.1	\$200.8	\$275.2	\$185.8	\$150.3
Other commercial	\$31.1	\$28.5	\$35.8	\$38.2	\$29.4	\$29.0
Factories	\$120.0	\$65.4	\$53.7	\$48.8	\$51.8	\$57.3
Warehouses	\$220.9	\$126.7	\$114.0	\$114.0	\$126.2	\$139.1
Agriculture and aquaculture	\$33.3	\$36.5	\$31.9	\$32.7	\$40.9	\$53.6
Other industrial	\$19.1	\$23.4	\$22.5	\$23.2	\$25.5	\$27.4
Education	\$350.3	\$545.5	\$664.3	\$803.2	\$906.9	\$970.7
Religion	\$16.2	\$7.1	\$6.0	\$5.8	\$6.6	\$7.3
Aged care facilities	\$102.9	\$172.9	\$199.0	\$194.8	\$194.7	\$207.1
Health facilities (non-aged care)	\$183.2	\$425.6	\$447.1	\$408.4	\$346.0	\$309.3
Entertainment & Recreation	\$218.8	\$37.2	\$41.3	\$45.1	\$45.3	\$49.0
Accommodation	\$276.6	\$87.6	\$25.2	\$20.0	\$25.3	\$27.6
Other non-residential	\$148.8	\$123.5	\$124.5	\$137.6	\$124.6	\$129.2

Source: Master Builders Australia

WESTERN AUSTRALIA



Commercial Building Activity in Western Australia: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)

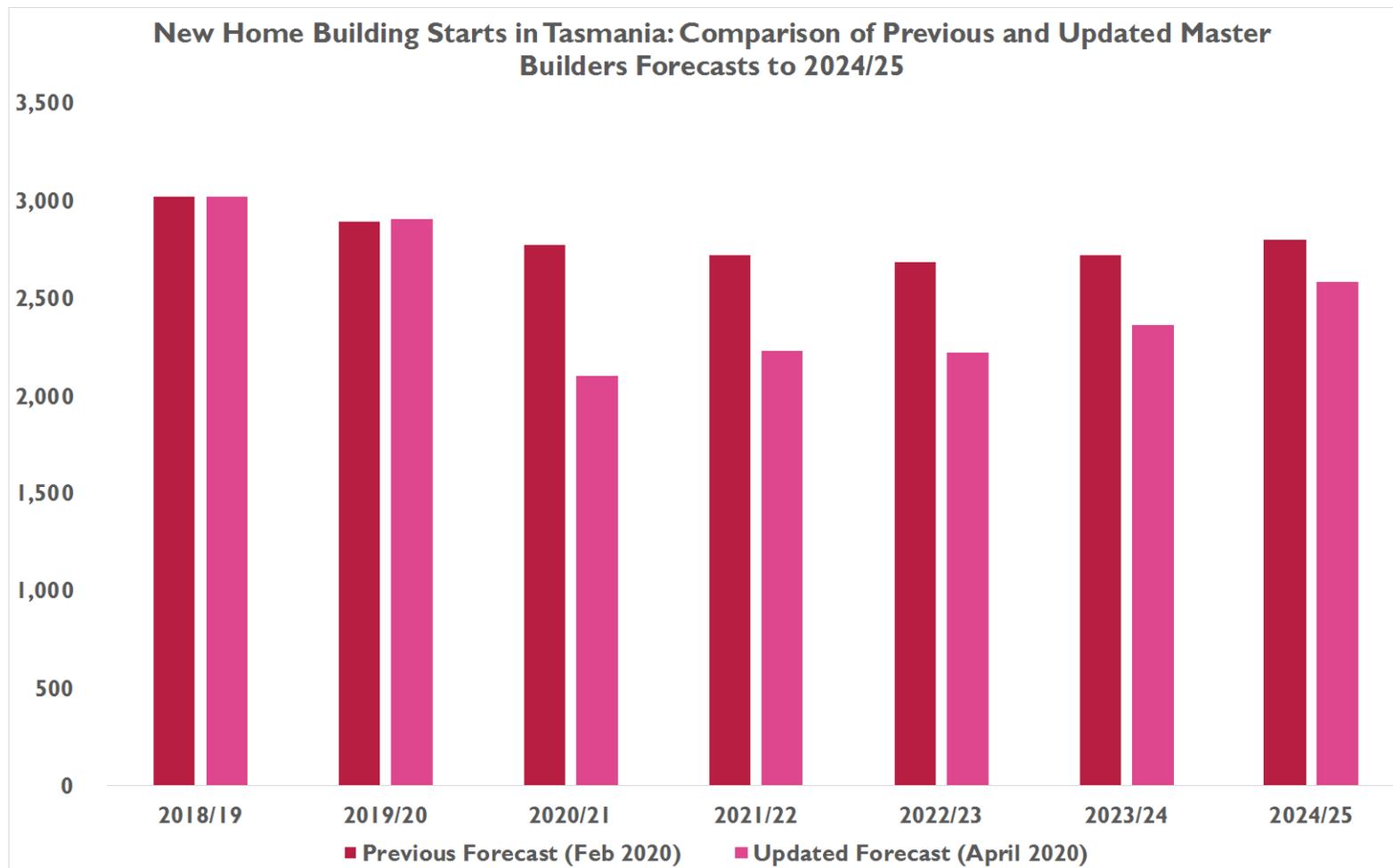


**Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 -
Western Australia (Millions of dollars)**

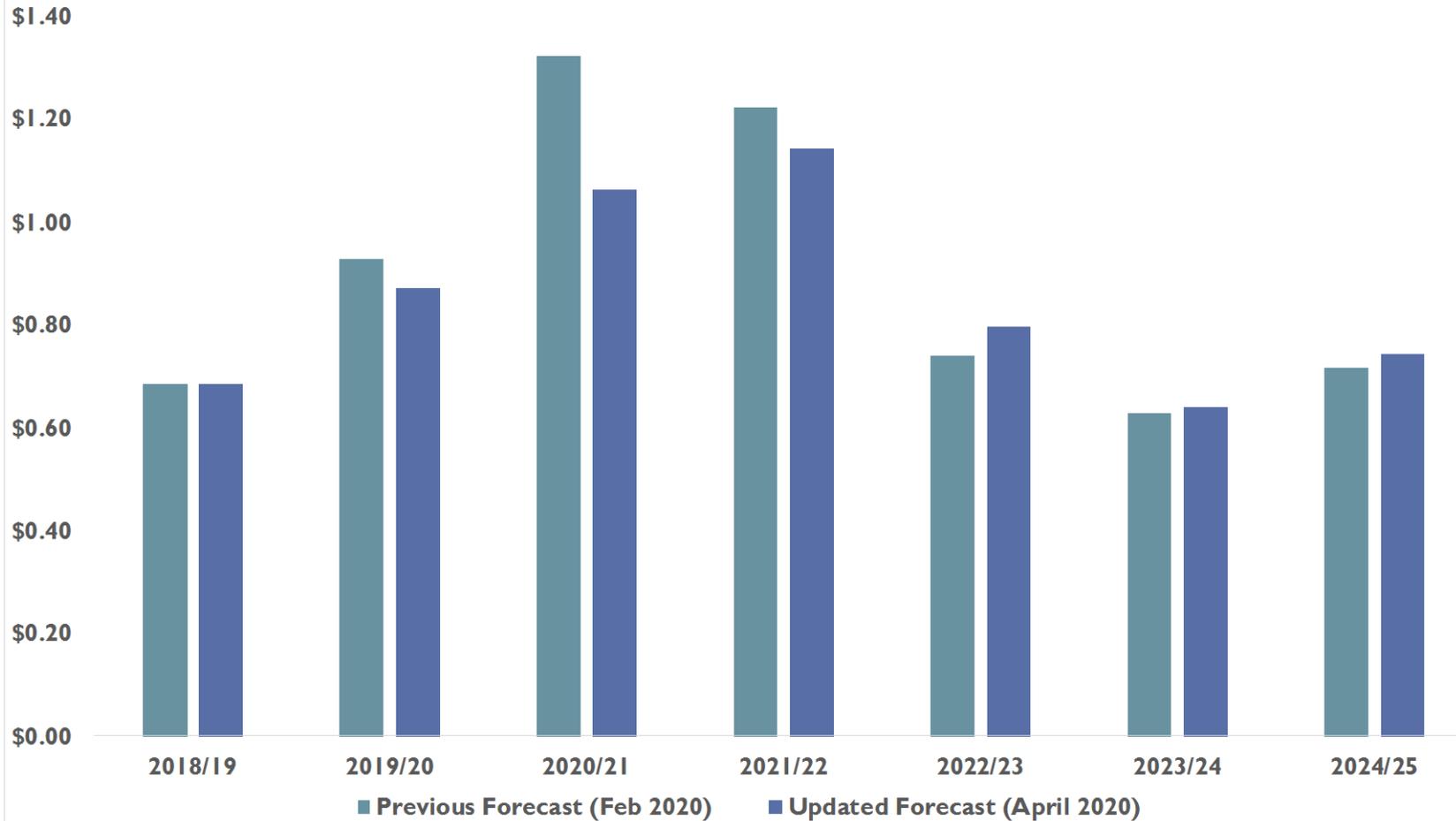
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$3,883.2	\$3,566.4	\$3,472.0	\$3,664.9	\$4,021.9	\$4,298.0
Retail & wholesale trade	\$1,003.3	\$830.5	\$643.3	\$744.4	\$793.4	\$773.2
Transport buildings	\$72.1	\$62.2	\$73.1	\$64.0	\$61.9	\$75.0
Offices	\$534.7	\$416.6	\$422.4	\$333.4	\$347.3	\$387.9
Other commercial	\$115.4	\$36.3	\$37.2	\$37.9	\$47.7	\$48.4
Factories	\$90.0	\$98.5	\$103.5	\$101.9	\$104.5	\$110.4
Warehouses	\$322.1	\$337.5	\$303.2	\$301.6	\$324.7	\$357.9
Agriculture and aquaculture	\$26.0	\$24.6	\$20.2	\$22.5	\$27.5	\$32.0
Other industrial	\$194.9	\$215.1	\$196.1	\$178.7	\$212.7	\$257.8
Education	\$488.8	\$604.0	\$714.1	\$882.1	\$1,012.7	\$1,058.5
Religion	\$14.7	\$9.6	\$8.0	\$8.7	\$11.4	\$11.1
Aged care facilities	\$321.8	\$250.6	\$225.6	\$223.9	\$233.5	\$253.4
Health facilities (non-aged care)	\$162.6	\$277.1	\$304.5	\$352.9	\$437.4	\$500.7
Entertainment & Recreation	\$212.4	\$88.9	\$115.9	\$131.0	\$125.4	\$123.7
Accommodation	\$134.1	\$74.4	\$81.4	\$68.9	\$66.9	\$81.4
Other non-residential	\$190.3	\$240.5	\$223.4	\$213.1	\$214.8	\$226.5

Source: Master Builders Australia

TASMANIA



Commercial Building Activity in Tasmania: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)

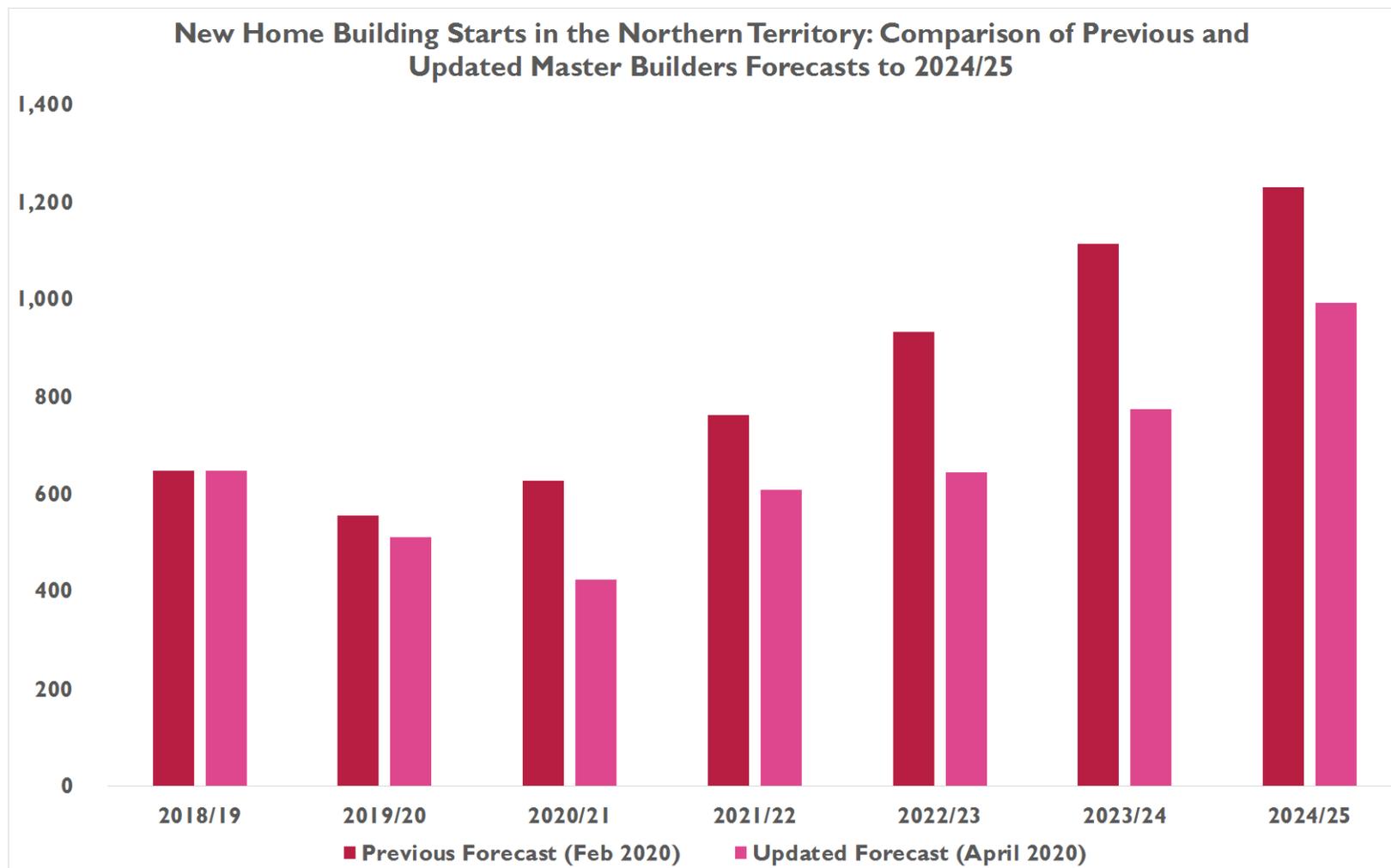


**Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 -
Tasmania (Millions of dollars)**

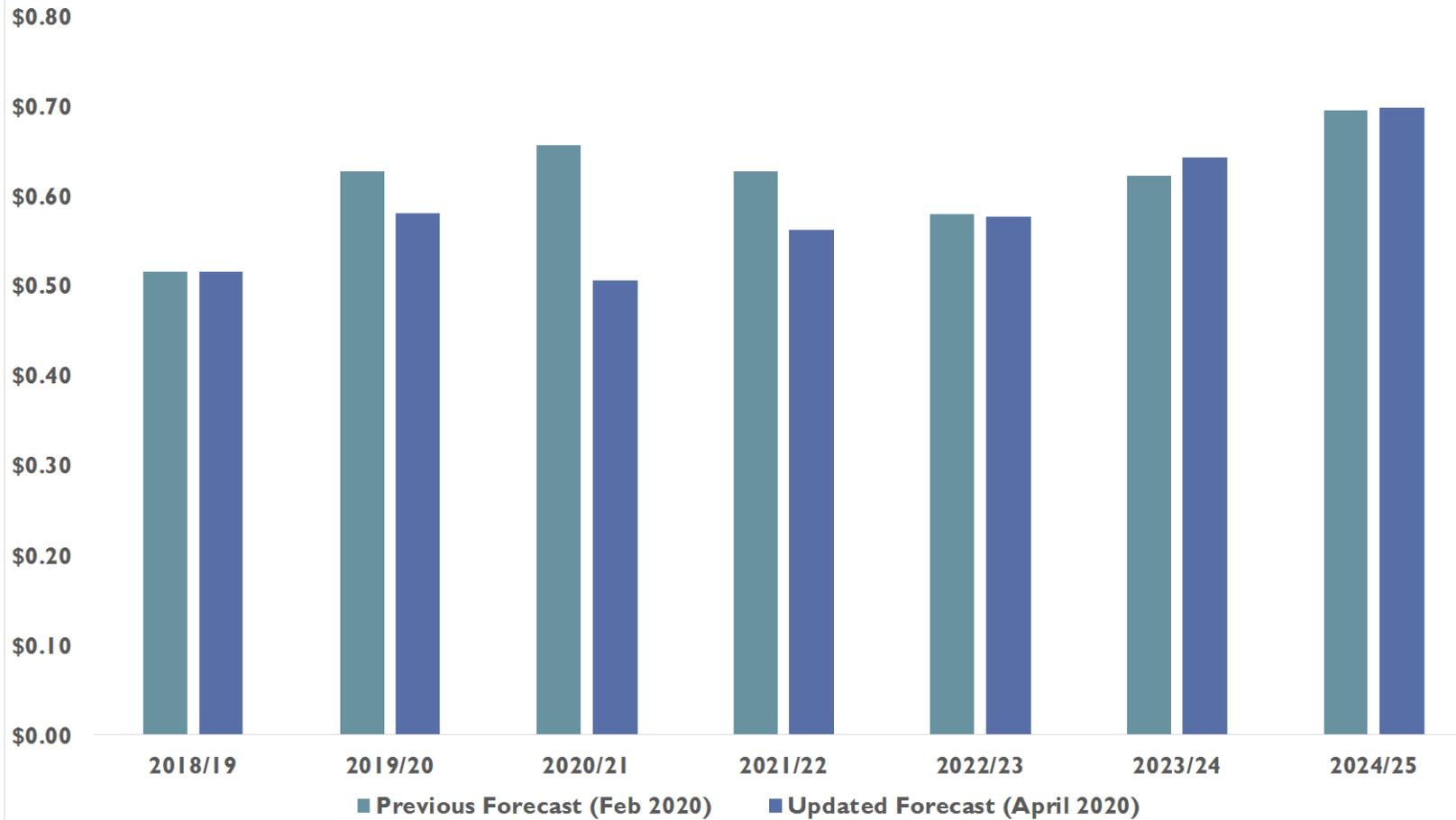
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$872.5	\$1,062.6	\$1,143.9	\$797.2	\$641.4	\$741.5
Retail & wholesale trade	\$72.0	\$75.1	\$62.7	\$73.6	\$92.4	\$90.3
Transport buildings	\$48.4	\$20.7	\$2.6	\$2.0	\$2.9	\$4.6
Offices	\$51.6	\$33.5	\$32.2	\$34.3	\$40.9	\$45.3
Other commercial	\$5.7	\$4.3	\$3.5	\$3.4	\$4.2	\$4.9
Factories	\$109.6	\$74.3	\$28.7	\$33.4	\$35.6	\$38.5
Warehouses	\$40.7	\$36.2	\$43.3	\$39.6	\$45.6	\$55.4
Agriculture and aquaculture	\$9.9	\$8.9	\$9.2	\$10.0	\$11.2	\$12.8
Other industrial	\$2.8	\$2.1	\$2.1	\$2.6	\$3.2	\$2.8
Education	\$240.0	\$510.5	\$646.9	\$344.1	\$180.3	\$218.4
Religion	\$2.6	\$1.3	\$1.2	\$1.4	\$1.8	\$2.0
Aged care facilities	\$35.5	\$32.2	\$33.3	\$35.3	\$39.7	\$42.5
Health facilities (non-aged care)	\$18.4	\$87.9	\$141.0	\$114.0	\$111.2	\$128.7
Entertainment & Recreation	\$52.7	\$25.4	\$37.9	\$19.1	\$10.1	\$13.3
Accommodation	\$123.9	\$107.3	\$80.4	\$12.1	\$13.9	\$12.0
Other non-residential	\$58.6	\$42.8	\$19.0	\$72.2	\$48.4	\$69.9

Source: Master Builders Australia

NORTHERN TERRITORY



Commercial Building Activity in the Northern Territory: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)

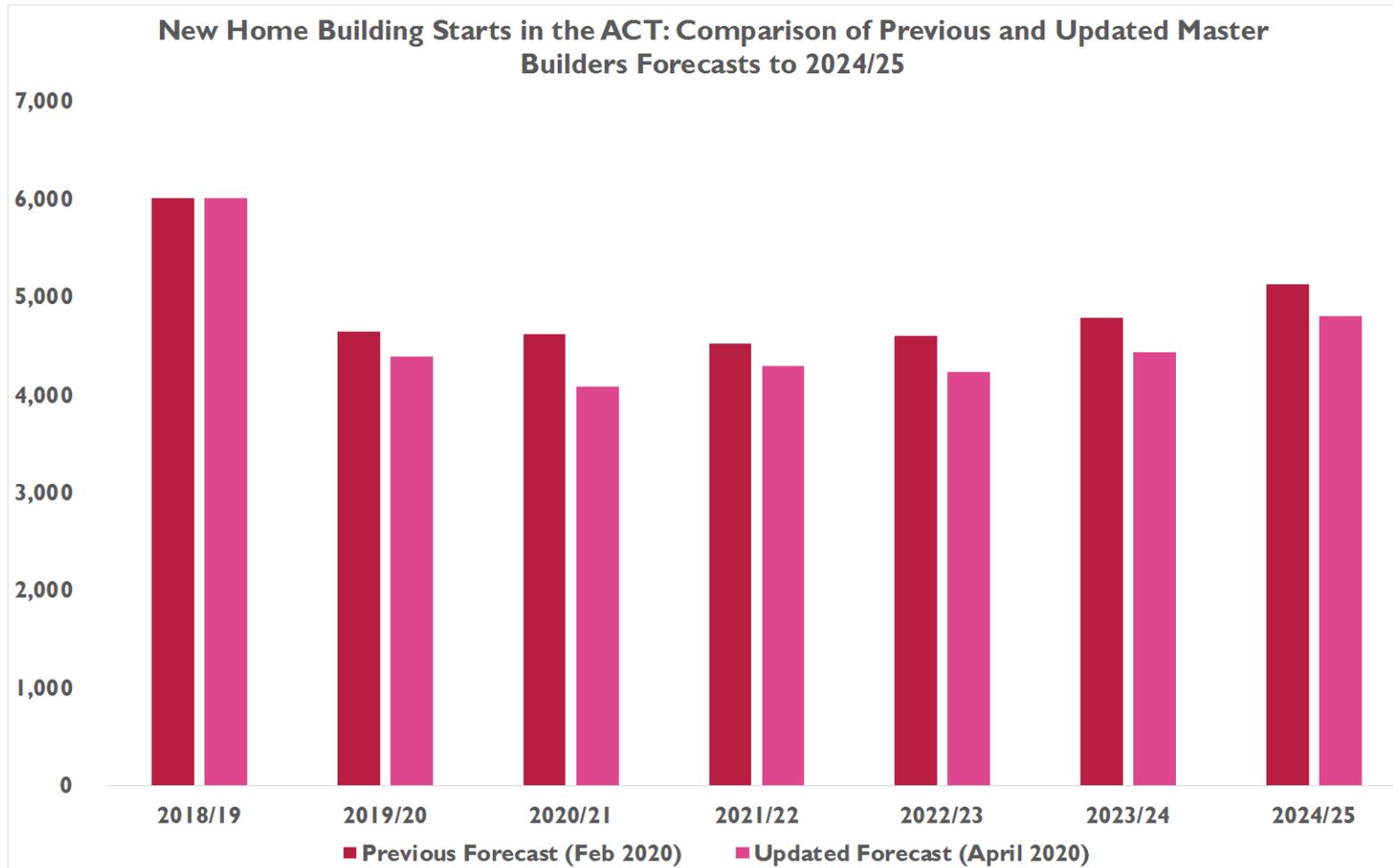


Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 - Northern Territory (Millions of dollars)

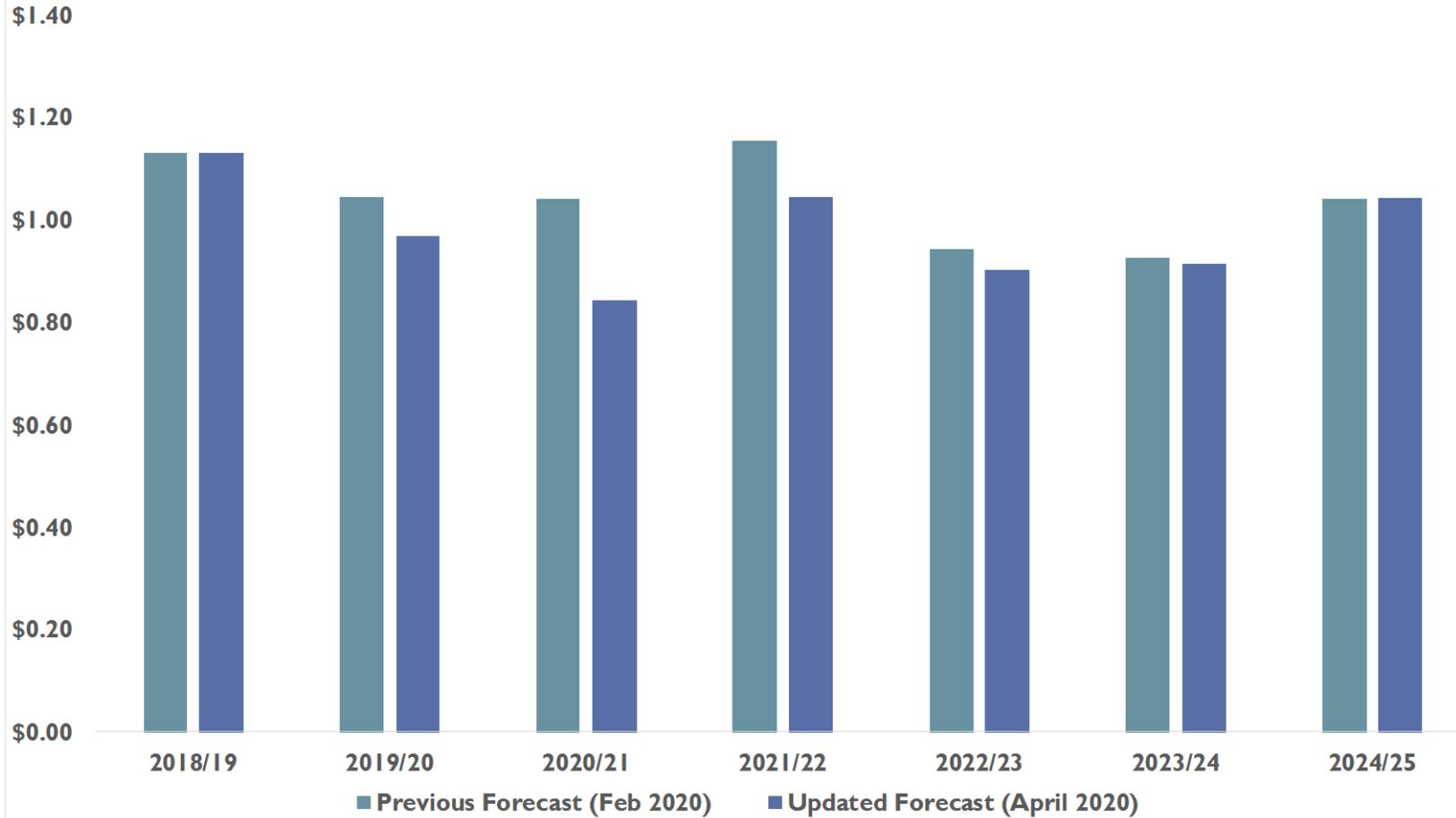
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$581.6	\$506.7	\$563.6	\$576.8	\$643.5	\$699.4
Retail & wholesale trade	\$41.4	\$31.4	\$37.9	\$39.0	\$42.4	\$49.7
Transport buildings	\$6.9	\$5.4	\$6.8	\$1.2	\$2.5	\$6.2
Offices	\$81.8	\$32.4	\$35.6	\$36.2	\$39.9	\$43.0
Other commercial	\$2.8	\$1.8	\$2.2	\$2.2	\$2.2	\$2.2
Factories	\$5.9	\$7.5	\$9.5	\$6.7	\$6.9	\$9.3
Warehouses	\$45.6	\$51.4	\$52.7	\$56.9	\$66.4	\$63.6
Agriculture and aquaculture	\$3.2	\$3.2	\$3.5	\$4.2	\$5.0	\$4.6
Other industrial	\$11.0	\$16.5	\$14.6	\$12.9	\$16.7	\$22.0
Education	\$87.1	\$129.0	\$161.7	\$195.5	\$233.0	\$255.8
Religion	\$1.1	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Aged care facilities	\$1.5	\$3.2	\$2.4	\$2.8	\$4.8	\$5.3
Health facilities (non-aged care)	\$42.3	\$49.1	\$67.0	\$83.8	\$99.7	\$109.6
Entertainment & Recreation	\$52.2	\$18.9	\$13.2	\$10.3	\$12.7	\$16.6
Accommodation	\$88.4	\$38.6	\$15.5	\$14.9	\$17.3	\$22.7
Other non-residential	\$110.5	\$117.7	\$140.4	\$109.7	\$93.4	\$88.2

Source: Master Builders Australia

AUSTRALIAN CAPITAL TERRITORY



Commercial Building Activity in the ACT: Comparison of Previous and Updated Master Builders Forecasts to 2024/25 (Billions of Dollars)



**Updated Master Builders Australia Forecasts for Commercial Building Activity, April 2020 -
ACT (Millions of dollars)**

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Commercial Building - Total	\$967.5	\$843.9	\$1,045.3	\$902.7	\$914.9	\$1,043.6
Retail & wholesale trade	\$97.9	\$86.7	\$91.1	\$89.7	\$98.2	\$112.3
Transport buildings	\$37.1	\$11.6	\$11.7	\$12.2	\$13.7	\$14.4
Offices	\$323.3	\$198.0	\$157.0	\$162.3	\$186.4	\$196.9
Other commercial	\$7.6	\$2.3	\$0.4	\$0.6	\$0.9	\$1.1
Factories	\$4.6	\$3.0	\$1.1	\$1.1	\$1.2	\$1.3
Warehouses	\$51.5	\$32.5	\$25.0	\$27.5	\$39.4	\$36.4
Agriculture and aquaculture	\$0.3	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Other industrial	\$0.6	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6
Education	\$130.3	\$230.1	\$289.3	\$312.4	\$343.7	\$402.2
Religion	\$4.1	\$1.7	\$1.7	\$1.7	\$1.7	\$1.7
Aged care facilities	\$49.2	\$33.7	\$27.5	\$28.1	\$29.9	\$33.6
Health facilities (non-aged care)	\$38.2	\$141.9	\$321.6	\$171.8	\$121.5	\$153.9
Entertainment & Recreation	\$55.9	\$29.4	\$46.2	\$31.0	\$18.3	\$21.4
Accommodation	\$136.3	\$24.9	\$14.0	\$11.7	\$12.7	\$13.4
Other non-residential	\$30.4	\$47.4	\$57.9	\$51.8	\$46.7	\$54.4

Source: Master Builders Australia

IN THE FAIR WORK COMMISSION

s. 157 – FWC may vary etc. modern awards if necessary, to achieve modern awards objective

AM2020/28 – Application by: Master Builders Australia & Housing Industry Association and Another

Building and Construction On-Site Award 2010, Joinery and Building Trades Award 2010, Mobile Crane Hiring Award 2010.

Statement of Tony Grippi of Richard Crookes Constructions

On 16 June 2020, I, Tony Grippi of Richard Crookes Constructions ('Richard Crookes'), Level 3, 4 Broadcast Way Artarmon NSW make the following statement.

1. I have been employed by Richard Crookes since December 1993.
2. Richard Crookes was established in 1976 and carries out a wide range of commercial projects across Australia, including, aged care, community, defence, health, education, industrial and retail. The company also undertakes residential work including affordable housing and student accommodation.
3. As Operations Manager Sydney, I am responsible for the delivery of all Sydney based projects. In my role I also have joint oversight of the company's staffing and industrial relations which incorporates work, health and safety ('WHS') on site.
4. I am aware that Master Builders Australia ('Master Builders') and others have made a claim to change the Construction Awards to introduce a number of temporary flexibilities to deal with the challenges arising from COVID-19.
5. I make the following comments in support of a number of the changes sought by Master Builders based on my extensive experience as an Operations Manager.

Revised safety management plan

6. COVID-19 has had a significant impact on the BCI and the way WHS is managed on site.
7. Although the sector has been given "essential" status throughout the pandemic, we have had to quickly put in place a large number of changes to address, and mitigate against, the risks caused by COVID-19 and ensure Richard Crookes meets its overarching obligations under WHS legislation.
8. Richard Crookes has undertaken a review of its safety management plans to ensure that they include strategies to address the risks due to COVID-19.
9. A copy of one of our COVID-19 Response Plans is attached to this statement and marked "Annexure A". This plan was specifically developed by our Covid-19 Response Team to deal with the risks associated with COVID-19 and forms part of RCC's overall WHS management Plan. Some element are described below.

Lodged by: Shaun Schmitke, Master Builders Australia	Telephone: 02 6202 8888
Address: Level 3, 44 Sydney Avenue, Forrest, ACT 2603	0422 866 766
Email: shaun.schmitke@masterbuilders.com.au	

Rostering and programming challenges

10. At any one time, there can be up to 4000 workers on Richard Crookes' sites. For example, our Park Sydney project site located in Erskineville can have up to 300 workers on site each day.
11. To ensure workers continue to undertake work safely and in-line with guidance on social distancing published by Safe Work Australia and WorkSafe, Richard Crookes has developed a number of mitigation strategies.
12. These strategies include, splitting the workforce on projects which allows the "staggering" of work to reduce the number of workers on site at any one time, to minimise jobs falling behind or causing delays to other trades in the supply chain.
13. Breaks have also had to be staggered to ensure lunchrooms and site sheds are not overcrowded, which has had the effect of causing further disruption to the flow of work on sites.
14. This has had the overall effect of ultimately slowing down progress, meaning that some tasks that would have ordinarily been undertaken over the course of a usual working day are having to be completed outside of ordinary working hours.

Rigorous cleaning regime

15. In addition to the provision of additional personal protective equipment ('PPE') and hygiene facilities, Richard Crookes has implemented a rigorous cleaning regime on all its sites.
16. This has involved the engagement of full-time cleaners on our projects which has not only come at an additional cost, but caused significant disruptions to work-flow as a result of site sheds/lunchrooms and work stations having to be regularly cleaned between shifts.
17. It is my experience that this has also had the effect of slowing work down and reducing productivity on construction sites.

Safe use of machinery

18. Since the COVID-19 outbreak, Richard Crookes has had to review its policies on how machinery is used, including revising guidelines for the safe use of lifts and hoists in line with Safe Work Australia and WorkSafe guidance.
19. This has involved limiting the number of workers that can be transported at any one time, which can cause significant delays especially on multi-level projects.

Lodged by: Shaun Schmitke, Master Builders Australia	Telephone: 02 6202 8888
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20. Limitations on the number of workers that can be transported in lifts on site has had the effect of pushing up the costs incurred by subcontractors, due to, in some instances, them either having to pay overtime or penalty rates to their employees so they can complete their work without causing disruptions to other trades on the job.

Need for temporary flexibility

21. The temporary flexibilities put forward by Master Builders, such as allowing employers and employees the ability to agree to broadening the ordinary hours of work, would be extremely helpful in dealing with some of the practical and WHS challenges caused by COVID-19.

on 16 June 2020

Lodged by: Shaun Schmitke, Master Builders Australia	Telephone: 02 6202 8888
Address: Level 3, 44 Sydney Avenue, Forrest, ACT 2603	0422 866 766
Email: shaun.schmitke@masterbuilders.com.au	

Annexure A

Richard Crookes Constructions Covid-19 Response Plan

Lodged by: Shaun Schmitke, Master Builders Australia	Telephone: 02 6202 8888
Address: Level 3, 44 Sydney Avenue, Forrest, ACT 2603	0422 866 766
Email: shaun.schmitke@masterbuilders.com.au	

Project Name		Version 3
Team Leader		Issued 27 April 2020
2nd in Charge		
COVID Coordinator and Phone No.		
Response Team Contact and Phone No.		



WHAT: RCC Minimum Requirements

Activities	Minimum Guidelines	E.g of implementation
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1	Pre-screening	Each subcontract supervisor to check in with their team every morning before entering the site. If any worker is sick or shows flu like symptoms ensure they DO NOT come to site. This is your responsibility.	<ul style="list-style-type: none"> - Subcontractor pre-start for each trade - Confirmation provided to RCC daily
2	Temperature Testing	Due to the ongoing consistent low infection rates within the population the risk profile in the workforce for potential positive Covid 19 cases has decreased. The project teams can now adopt temperature testing on a random basis.	The team should test a minimum of 100% of the workforce over the course of a week (e.g. If a site has a daily average of 100 workers on site then over a period of 6 days the site performs 100 random tests, this could be performed in one day or spread over the course of the 6 day period). The testing should be performed by an existing site resource. Teams should not engage an external resource (e.g. security guard or labour hire) to perform the testing.
3	General Personal Hygiene	<ul style="list-style-type: none"> •Clean your hands thoroughly for at least 20 seconds with soap and water, or an alcohol-based hand sanitiser •Cover your nose and mouth when coughing and sneezing with a tissue or a flexed elbow •Try to avoid touching your face, eyes, nose and mouth prior to washing your hands •Avoid contact with anyone (specifically outside of site) with cold or flu-like symptoms. •No sharing of PPE amongst project team or workers •No provision of PPE for visitors to site. All visitors to provide their own PPE. 	<ul style="list-style-type: none"> - Tool Box Meetings - Signs in place across all appropriate locations across the site - Lock up all spare and visitor PPE to prevent use - Display clear signage at all hand washing facilities and/or sanitation stations.

WHAT: RCC Minimum Requirements

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Activities	Minimum Guidelines	E.g of implementation
4	Social Distancing	<ul style="list-style-type: none"> •All indoor gatherings must have no more than one person per 4m2 •Keep a minimum of 1.5 metres between yourself and others •Policing of social distancing rules on site
		<ul style="list-style-type: none"> - Communicated via Toolbox meetings - Reinforced throughout the day via verbal reminders which can be from any person on site - Feedback has been received from the sites that workers are adhering to the social distancing rules without the need to be constantly monitored by a full time resource (e.g. security guard). Therefore the optional measure for the engagement of a security guard to monitor social distancing on site should now be removed. - Provide visual marking (spray paint or coloured adhesive tape) to identify 1.5m rule to maintain social distancing (ie: in front of site access and egress points (turstile or gates) or at hoist/builders lift queing areas
5	Signage and Information	<ul style="list-style-type: none"> •Ensure RCC COVID 19 posters previously issued are posted in a multiple locations around the site including entry/exit point, site amenity areas, hoist and builders' lifts, general work areas and the Project Office
		Signs installed as specified
6	General Office Workspaces	<ul style="list-style-type: none"> •Ensure social distancing rules are maintained
		- Office Plan verifying required social distancing
7	Subcontractor and Trade Work crews	<ul style="list-style-type: none"> •Trades should be spilt were possible into isolated work crews. An example of this is, if you have 60 formworkers on site, they could be spilt into 4 separate crews, with the crews to work in separate areas were possible. These crews should stagger their meal breaks (refer to template named "Temporary Flexible Work Roster")
		- Documented plan optimising segregation and social distance so as to mitigate risk of contact
8	Site Wide Meetings incl Toolbox Talks	<ul style="list-style-type: none"> •No site wide meetings are to be held. Weekly toolbox talks should be limited to attendance by trade supervisors only and the information then disseminated back to their individual workforce in accordance with social distancing rules
		<ul style="list-style-type: none"> - Revised meeting schedule with attendee limits complying with social distancing requirements - Signage specifying maximum room capacities
9	Prestart Meetings	<ul style="list-style-type: none"> •Daily prestart to continue, but ensure social distancing rules are maintained •Prestart meetings need to specifically address current NSW Health guidelines related to COVID-19 •RCC site teams are to ensure that the requirement for the subcontractor's supervisor/management to screen their workers constantly for potential COVID 19 symptoms. •Supervisors should attend prestart meetings at least once a week for every trade to ensure information is being passed down
		As above refer Pre Screening

WHAT: RCC Minimum Requirements

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Activities	Minimum Guidelines	E.g of implementation	
10	Site Inductions	<ul style="list-style-type: none"> •Site inductions are to be arranged to comply with the social distancing rules for an enclosed space. Consider if possible, to hold site induction in an open space to increase permissible attendance whilst still maintaining the social distancing rules • Include supplementary information in your projects Induction Presentation that was issued in the Covid Daily Communication issued on the 31 March 2020 	<ul style="list-style-type: none"> - inductions held outdoors -Inductions split Refer above social distancing limits Eliminate touch points during site inductions. Sites providing pens for workers to fill in induction form. Provide a hand sanitisation station at the location of the induction (room or external) and have the person presenting the induction to request all to wash hands with hand sanitiser or soap prior to handing out pens. Have the cleaner clean the pens and table/chairs after each induction
11	Inclement Weather	<ul style="list-style-type: none"> •Project Teams are to maintain social distancing rules during inclement weather events (consider temporary overflow locations on site with reasonable access to amenities) 	<ul style="list-style-type: none"> -Documented contingency plan for such events
12	Meal Breaks and Lunch Sheds	<ul style="list-style-type: none"> •Staggering of lunch breaks should be implemented to ensure compliance with the social distancing rules (e.g.: A 6x3m lunch shed to have a maximum of 4 people at any one time). Reduced capacity to be managed via staggered breaks •Establish a roster for the use of lunch sheds (refer to template named "Subbie Lunch Roster") •Consider promoting the introduction of one break per day for certain trades •Consider were possible the establishment of alternative lunch seating areas (outdoor or in general site areas) 	<ul style="list-style-type: none"> - Subbie lunch roster populated (tab) - Signage at shed locations confirming roster/trades area allocation to mitigate/eliminate cross contact
13	Change rooms	<ul style="list-style-type: none"> •Ensure social distancing rules are maintained 	<ul style="list-style-type: none"> - Documented roster and cleaning register morning and afternoon

WHAT: RCC Minimum Requirements

Activities	Minimum Guidelines	E.g of implementation	
14	General Cleaning	<ul style="list-style-type: none"> •Ablutions – must be cleaned regularly throughout the day with disinfectant •Lunch Sheds – must be cleaned after each meal break (e.g. two times per day) including wiping down of all horizontal surfaces and fixtures (taps etc) with disinfectant •Change Sheds – must be cleaned at least once 2 times per day •Project/Site Office – must be cleaned daily including wiping down of individual desks, tables and chairs in meeting rooms and kitchen work surfaces with disinfectant •Other Key Areas – any common surfaces that are regularly touched (e.g. hoist and lift buttons, gate handles etc) need to be wiped down on a daily basis •A cleaning log recording the frequency and time of each clean is to be established in each room/shed/other locations and maintained by the site cleaner •Project Teams need to ensure adequate cleaning resources are on site at all times to comply with the above minimum requirements 	<ul style="list-style-type: none"> * Cleaning register completed following each clean for each location * In between regular daily cleans all workers should be encouraged to use disinfectant wipes to wipe down any surface they are interacting with. This includes kitchen facilities, bubblers, ablution facilities. Appropriate hand sanitizer to be made available across the site to allow for regular use. * We have observed some cleaners being dedicated to cleaning particular areas constantly throughout the day, whether or not there is any activity or contact with the workforce. This is not necessary and we encourage everyone to review their SOW for cleaning contractors to ensure the most efficient roster and approach is taken. If managed well we have found that one cleaner (depending on the project size) can cover multiple areas as long as their schedule and location is in line with site activities.
15	First Aid Sheds	<ul style="list-style-type: none"> •Ensure social distancing rules are maintained and cleaned after each treatment 	- Cleaning register completed following each clean
16	Hoists	<ul style="list-style-type: none"> •Maintain social distancing rule of 4m²/person in an enclosed space. In practice this could mean having a person standing in each corner of the hoist thus allowing 3 to 4 people in the hoist at a time 	<ul style="list-style-type: none"> - Communicated via Toolbox meetings - Implement RCC Hoist and Builders Lift document issued in Covid Response Team communication issued 6 April
17	Builders Lifts	<ul style="list-style-type: none"> •Similarly, to hoists there is a requirement to maintain the social distancing rules 	<ul style="list-style-type: none"> - Communicated via Toolbox meetings - Implement RCC Hoist and Builders Lift document issued in Covid Response Team communication issued 6 April
18	Water bubblers	<ul style="list-style-type: none"> •NSW Health has stated public drinking water supplies are safe to drink, however the surfaces around the bubbler including the spout and button/lever could pose a transmission risk for COVID-19 and other germs. At this stage, it is not certain how long viruses that cause COVID-19 survives on surfaces. •If the bubbler is to remain in use, we require everyone to clean the surface first. Hands should then be cleaned afterwards with an alcohol-based hand rub or wash them with soap and water. •The site needs to arrange for frequent cleaning of water bubblers. 	<ul style="list-style-type: none"> - Communicated via toolbox meetings - Cleaning register completed daily * Allocated cleaners SOW to include regular wipe down of bubblers. In addition sanitiser or disinfectant wipes should be made available for individual use

WHAT: RCC Minimum Requirements

Activities	Minimum Guidelines	E.g of implementation
19 Site Access (With Turnstiles/Blue Glue)	<ul style="list-style-type: none"> •Sanitisation requirements (multiple touching of surfaces) are to be reviewed and if necessary alternative arrangements implemented 	<ul style="list-style-type: none"> - Consider alternate site access or a cleaning regime implemented to avoid cross contact * Due to the ongoing consistent low infection rates within the population the risk profile in the workforce for potential positive Covid 19 cases has decreased. The project teams can now reactivate the turnstiles on site, and deactivate the side gate and the need for a security guard to be stationed at the gate. Teams should ensure that handwashing facilities are in place adjacent to the turnstile (within the site) and workers encouraged (via signage) to wash their hands when entering and leaving the site. Regular daily cleaning of touch points on the turnstile should be carried out. * Clear signage should be in place at the site entry point advising any person who has any cold or flu like symptoms to not enter the site
19A Site Access (Without Turnstiles/Blue Glue)	<ul style="list-style-type: none"> •Sanitisation requirements (multiple touching of surfaces) are to be reviewed and if necessary alternative arrangements implemented 	<ul style="list-style-type: none"> - Manage touch points for those sites using a manual sign in process at gate - Provide a hand sanitisation station at the location of the sign in register and erect a sign that reads "Please wash hands before and after using pen and signing into the register". RCC team to monitor compliance. * Clear signage should be in place at the site entry point advising any person who has any cold or flu like symptoms to not enter the site
20 RCC Leave Policy/Management	<ul style="list-style-type: none"> •Refer to updated policy issued 	<ul style="list-style-type: none"> - Refer to separate contingency/scenario plan (currently being developed by Response Team)
21 Interim flexible work arrangements	<ul style="list-style-type: none"> •Refer to updated policy issued 	<ul style="list-style-type: none"> - Agreed roster implemented. Details in RCC Staff Roster (tab)
22 Project Monitoring and Inspection	<ul style="list-style-type: none"> •Maintain social distancing rules. This applies to any on site quality inspections, defect inspections and any WHS inspections or meetings 	<ul style="list-style-type: none"> - Revised meeting schedule with attendee limits complying with social distancing requirements - Signage specifying maximum room capacities Any meetings in an enclosed space are to be limited. If face to face meeting are held they should be limited to 1 hour in duration and under no circumstances last for 2 hours. Social distancing rules are to be observed.
23 RCC Project Team Meetings and Subcontractor Meetings	<ul style="list-style-type: none"> •Face to face meetings are to be limited. If meetings need to be held ensure social distancing rules are adhered to. For example, a 6x3m meeting room is to have a maximum of 4 people at any one time. The project teams are to install signage at the entry to each workspace or meeting room which states the maximum number of people to occupy the room and remove surplus chairs in the room. 	<ul style="list-style-type: none"> - Revised meeting schedule with attendee limits complying with social distancing requirements - Signage specifying maximum room capacities - Maximise use of conference call functionality Any meetings in an enclosed space are to be limited. If face to face meeting are held they should be limited to 1 hour in duration and under no circumstances last for 2 hours. Social distancing rules are to be observed.

WHAT: RCC Minimum Requirements

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Activities	Minimum Guidelines	E.g of implementation
24	Client and Consultants Meetings	<ul style="list-style-type: none"> •Face to face client meeting are to be avoided. Teleconference meetings should be used where possible
25	IT/Technology	<ul style="list-style-type: none"> •Consult with your direct manager to co-ordinate requirements to establish and maintain connectivity whilst working from home
26	Cleaning Process Following Positive Covid Case	<ul style="list-style-type: none"> •Cleaning to be carried out in accordance with the document :“RCC Cleaning Procedure”. This document is located on Sharepoint. •Hygenist to be engaged to oversee cleaning process and provide a Hygiene Verification Report
27	Social Interactive Outside of Workplace	<p>All carpooling to and from work needs to adhere to our rostering and distancing principles. i.e. if you are supposed to be on different days or work area rosters you should not be travelling together.</p>
28	Deliveries to Site	<p>Delivery drivers were possible are to remain in their vehicles at all times. If this is not possible and the driver needs to leave the vehicle then the driver is to remain in the immediate vicinity of the vehicle and maintain social distancing. The driver is not to access any other areas of the site including the amenities.</p>
Other		
	Please populate with any additional activities adopted	

IN THE FAIR WORK COMMISSION

s. 157 – FWC may vary etc. modern awards if necessary to achieve modern awards objective

AM2020/28 – Application by: Master Builders Australia & Housing Industry Association and Another

Building and Construction On-Site Award 2010, Joinery and Building Trades Award 2010, Mobile Crane Hiring Award 2010.

Statement of Grant Matthew Galvin

On 18 June 2020, I, Grant Matthew Galvin of Master Builders Queensland ('MBAQ'), 47 Wickham Terrace Brisbane, make the following statement.

1. I have been Chief Executive Officer of MBAQ since 1 July 2013.
2. Established in 1882, MBAQ is the peak body representing Queensland's building and construction industry with more than 8,600 members, ranging from small businesses and subcontractors up to Tier 1 construction companies.
3. Approximately 250,000 people are directly employed in Queensland across the residential, commercial and civil construction sectors.
4. This represents approximately 10% of total employment in Queensland and our industry makes up 12.6% of total full-time employment. Indirectly, the industry supports tens of thousands more Queensland jobs.
5. Prior to working for MBAQ, I have held senior positions as Ansett, Goodman Fielder and News Corp.
6. MBAQ provides a range of services to members including advice and support on building and planning development; contracts and disputes; health, safety and the environment; and employment and wages which includes the standards and conditions contained within the Construction Awards.
7. I am familiar with the temporary changes Master Builders Australia ('Master Builders') and others are asking to be made to the awards to provide some flexibility to deal with COVID-19.
8. I make the following comments in support of the proposed changes.

Significant down-turn in work

9. I am aware that there has been a significant reduction in commercial construction tender opportunities in recent months.
10. Many members have told me directly that they are extremely worried about an impending down-turn in the industry and that there will be nothing short of a "blood bath" in the commercial construction sector post September, in the absence of any substantial Commonwealth/State government stimulus.

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11. Although there has been some stimulus at the various government levels to bolster residential construction, these only seek to address issues within a portion of that particular sub-sector.
12. It is my strong view that unless significant measures are urgently put in place to address the dire economic forecasts faced by the commercial construction industry, it will inevitably result in significant job losses across the building and construction industry.

Staffing impacts and award restrictions

13. Many members have expressed to me their concern that the drop-off in the pipeline of work in the coming months will impact their ability to maintain existing staff levels, particularly when the JobKeeper scheme comes to an end in September and the subsequent impact on the broader economy takes hold.
14. For those employees engaged under the Construction Awards, there is very little flexibility for them to reduce or vary working hours or use other things like accrued annual leave or RDOs to help get them through the effects of the pandemic.
15. There is also no ability for employers to direct the staff they have been able to keep, to undertake tasks outside of their usual job classification or reduce the number of hours of work they ordinarily do.

Challenges due to social distancing

16. I am aware that members have had to deal with a number of challenges associated with social distancing on site which has required a complete re-think of how work needs to be programmed.
17. In light of Safe Work Australia and Work Safe Queensland guidance, many members have been forced to stagger their teams and space-out tasks to ensure employees are working safely, both together and with other trades on site.
18. This practice has now meant splitting workers on projects so they can both work and take breaks at a safe distance wherever possible, as well as allowing them time to maintain personal hygiene.
19. I am aware that members have also experienced significant challenges, particularly on high-rise construction sites, associated with transporting workers in lifts and hoists.
20. Spacing restrictions have made getting workers on to the various levels of a project a real issue, causing jobs to slow down as teams of workers have to wait to be transported up and down lifts in smaller numbers.
21. Social distancing has meant that members often need to work outside of ordinary hours to complete jobs to minimise disruption and project delays.
22. This often results in members having to pay their employees penalty rates, an additional cost that is not sustainable given the current economic climate.
23. Opening up the ordinary hours of work by agreement, to also include Saturdays until 2pm, would give members the breathing space they need to address some of the challenges they face due to social distancing and keep more of their workers employed.

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Benefits of the changes

24. The temporary changes to the awards put forward by Master Builders such as broadening the ordinary hours of work, reducing the number of hours required for casuals and allowing more options around what workers can be directed to do, would give members the ability to tackle some of the real staffing challenges they are facing both now and in the near future.

18 June 2020

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