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Royal Commission into Trade Union Governance and Corruption – Final report released

The final report of the Royal Commission into Trade Union Governance and Corruption has found there is a ‘widespread’ and ‘deep-seated’ culture of lawlessness among many union officials.

This corrupt and illegal conduct will not stop unless there is immediate and effective Parliamentary intervention, meaningful reform and strong leadership.

The Government will re-introduce legislation in the first sitting week of 2016 to re-establish respect for the rule of law in the construction industry.

Leadership is required among unions, employer groups and political parties to ensure these important reforms are put in place.

The Government welcomes the completion of this important work and commends Commissioner Justice Dyson Heydon and his team for their tireless work over the past two years. Lasting approximately 21 months, the Commission hosted 155 days of public hearings, 46 days of private hearings, received evidence from over 500 individual witnesses and was completed on time and under budget.

The Royal Commission’s Findings

The Royal Commission has revealed allegations involving multiple examples of bribery, extortion and blackmail in the nation’s construction industry.

The report listed 79 recommendations to improve the governance of registered organisations, to improve the management of construction work-sites across the country, and to make unions more transparent and accountable to their members.

The Government will carefully consider all of the Royal Commission’s recommendations.

Today the Government announces that it will re-introduce legislation to re-establish the Australian Building and Construction Commission in the first sitting week of 2016 and will seek to have it passed by both chambers before the end of March.

In addition, the Royal Commission has recommended stronger legislative reform to improve transparency and accountability in registered organisations.

These recommendations go further than the Government’s Registered Organisations Bill that has been rejected by the Opposition. The Government will therefore introduce additional legislation to further strengthen the Registered Organisation Commission.

The Royal Commission has also made 93 referrals for proceedings relating to possible breaches of laws. More than half relate to potential criminal prosecutions.

Taskforce Heracles - the existing Federal and State Police Taskforce attached to the Royal Commission - will be funded to continue its work investigating referrals and to ensure the very serious criminal allegations that have been identified are dealt with.

Equally troubling are the numerous examples of gross mismanagement and unauthorised use of union member funds, grave failures of governance and a dangerous lack of accountability and transparency which has allowed corrupt conduct by union officials to go undetected or ignored.

A specialised Interim Working Group of regulators will be established to deal with civil referrals made by the Royal Commission. This working group will include the Australian Taxation Office, the Australian Crime Commission, ASIC and the ACCC.

Next Steps

Union members should have confidence that the unions they entrust with their hard-earned money have their best interests at heart. The Commission's final report outlines multiple instances where union officials have neglected their responsibilities in preference to self-serving motives.

The Government will now give full and careful consideration to the final report's recommendations and will announce a detailed response the public in early 2016.

The Royal Commission's final report is available at:

<https://www.tradeunionroyalcommission.gov.au/reports/Pages/Final-Report.aspx>

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