



ABCC Passage Welcome But Bolder Changes Needed 30 November 2016

The HR Nicholls Society welcomes the Senate's passage of the Australian Building & Construction bills, but urges the Government to pursue bolder changes to Australia's antiquated industrial relations system as part of its broader economic agenda.

HR Nicholls Society Executive Director John Slater said that: "The reintroduction of the ABCC will make serious inroads towards addressing the culture of disregard for the law that has become a mainstay of commercial construction. Increased penalties and provisions ensuring union officials found liable cannot pass off fines to the CFMEU's bank balance will provide a much needed deterrent against abusing rights of entry to building sites and inciting industrial chaos as a negotiation tactic in enterprise bargaining."

"With over a quarter of the CFMEU's staff recently convicted, or currently facing charges for industrial breaches, there is no doubt penalties under the former regime were no more than a minor business expense."

"Clamping down on illegal industrial behaviour as a means of securing pattern enterprise agreements will encourage contractors to compete on price and productivity, delivering a construction sector that is more efficient and prosperous. The benefits of this increased market competition will be reaped by industries like mining and resources, retail and manufacturing whose own expansion relies on a cost effective and reliable construction sector."

"Likewise, the revised Building Code will help ensure taxpayers - not building giants or other special interests - are treated as the clients of the Commonwealth's infrastructure budget."

"A laundry list of special privileges such as mandatory employment by head contractors of non-working union officials, open-ended toolbox meetings with a proven record of exploitation and bans on jump-up clauses that entirely

eliminate competition between subcontractors will now be banned on publicly funded projects.

“Given many of these now banned terms have a long history of driving down productivity and jacking up costs at the expense of the taxpayers, this is a clear win for the Commonwealth budget and the public interest.”

“That said, the ABCC does little to address the core problems with Australia’s outmoded, unwieldy and inflexible industrial relations system. If the Government’s goal is industrial relations system that fosters a labour force responsive market forces, supports flexibility and entrepreneurialism and promotes economic growth, the ABCC is only a first step of what should be a top-down rethink of the entire Fair Work regime.”

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