

Jobs and projects at serious risk with ABCC set for demise

THE failed attempt to refer the ABCC 'abolition' bill to a Senate review committee means the days of an effective independent regulator in the construction sector appear to be numbered, a move employers in Australia's resource industry fear will dent investor confidence and put jobs on multi-billion dollar projects at risk.

Employers are particularly fearful that a last minute amendment providing unions immunity from prosecution where they break the law will see a return to unlawfulness and place the ongoing viability of large-scale construction activity in question.

"The intentions of the government to remove an effective, independent regulator from the building and construction industry could not have come at a worst time in Australia's economic history," says AMMA chief executive Steve Knott.

"The last minute government amendment designed to protect unions from prosecution where they have taken illegal industrial action is particularly concerning, given there are an unprecedented number of multi-billion dollar projects still awaiting the final investment decision.

"Forcing the 'tough cop' off the beat and removing its power to prosecute at this time will only dent international confidence in continuing with the huge capital investment proposed for Australian industry.

"The flow-on economic and social benefits of this move would reach far further than the government appears to have considered. Industry analysis shows future activity on pre-approved resource projects could create up to 83,000 construction jobs within the next few years.

"A large number of these ongoing employment opportunities will be lost if international investors begin pulling out of Australia in fear of a return to the unlawfulness and widespread strike action seen in the decades prior to the ABCC's effective industry regulation."

AMMA's industry submission on the ABCC 'abolition' Bill represents the concerns and input of employers involved in Australia's largest projects. Just one of these projects, the \$43 billion Gorgon LNG project in Western Australia, will create 10,000 direct and indirect jobs during peak construction and see the purchase of \$33 billion worth of Australian goods and services.

In 2009, the ABCC effectively launched legal proceedings against 1300 union delegates who took unlawful industrial action against contractors on the \$14 billion Pluto project. AMMA's submission details how one contractor, which provides jobs for thousands of Australians, was losing \$500,000 each day.

"Without the ABCC and the capacity to prosecute, the militant individuals behind such union thuggery and disregard for fellow working Australians would never be held accountable for their damaging actions," Mr Knott says.

"Of the 105 court cases initiated by the ABCC between October 2005 and 30 November 2011, only eight were unsuccessful. Even the government's own Wilcox Inquiry of 2008 could not support this move, having reinforced that an unlawful culture is rife in the building industry and the ABCC has significantly improved productivity, workplace harmony and supported Australian jobs and industry."

Underpinned by industry research, the resource employer group's submission comprehensively covers the evidence of the ABCC's success and puts forth a compelling argument for its continuation. [Read it here.](#)

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