

# MEDIA RELEASE

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## **AMMA says all registered organisations must be treated as corporations**

Resource industry employer group AMMA is urging the government to ensure registered organisations no longer receive special treatment and are subject to the same high standards as organisations operating under the present day legislation for corporate entities.

"AMMA is incorporated with the Australian Securities and Investments Commission (ASIC) and we're of the view that all registered organisations should be subject to the same process and rules applying to corporations," says chief executive Steve Knott.

"AMMA welcomes proposed new regulations that provide for greater transparency of the financial activities of registered organisations, but our view is the proposed changes are not tough enough to prevent another Health Services Union (HSU) style scandal.

"It's one thing to have laws in place, but it's a completely different thing to have them enforced.

"The lack of resources and forensic expertise at Fair Work Australia, and before it the Australian Industrial Relations Commission, has greatly exacerbated the problems surrounding the transparent operation of registered organisations.

"AMMA and its members benefit from the discipline associated with the higher standards required under the *Corporations Act 2001*. I ask the question how any union members in Australia can have the same confidence in their administrators if they are not subject to the same stringent regulations and policing processes.

"While the government might be seeking more transparent reporting, the more immediate problem is there isn't a dedicated body or sufficient resources to properly police these requirements. Increasing delegation powers to the GM of Fair Work Australia won't eradicate improper processes."

While critical of the lack of hard reforms in the *Fair Work (Registered Organisations) Amendment Bill 2012*, Mr Knott also notes the Federal Opposition's alternative policy also needs to be tightened up.

"While AMMA does welcome any improved financial disclosure processes and increased penalties for breaches, AMMA is concerned these amendments will not prevent another HSU-style misuse of members' funds," he says.

"AMMA is at a loss as to why the government is proposing tougher accountability and transparency but still looks to ways of shielding registered employer and union organisations from the same processes and rules that apply to corporations."

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