

Fair Work's neutered construction watchdog – all bark, no bite

THIS week's events demonstrate how unions engaging in illegal activities are now placed above the law under the new Fair Work (Building Industry) Act, says resource industry employer group AMMA.

When the Fair Work Building & Construction (FWBC) inspectorate replaced the Australian Building & Construction Commission (ABCC) earlier this year, a last minute amendment by Minister Bill Shorten ensured the new construction watchdog would be 'all bark, no bite'.

Under the new legislation which is now in force, FWBC is prevented from participating in or launching legal proceedings against parties that have breached the building industry laws if other parties to the matter arrive at a settlement.

AMMA chief executive Steve Knott explains that this means the CMFEU will not be held accountable for its violent and illegal protests in the streets of Melbourne this week if it reaches a settlement with construction company Grocon.

"Given the abolishing of the ABCC and the last minute legislative change, the new toothless tiger building regulator, the FWBC, can't pursue such matters once the IR parties have settled," Mr Knott says.

"There could be all sorts of commercial pressures placed on employers to cause them to settle disputes with unions and employees, but this should have no bearing on whether the industry regulator can pursue a prosecution over the same course of action.

"This effectively is encouraging unions to disobey the law, inflict significant economic damage and pain to employers, all in the pursuit of productivity sapping IR outcomes that failed in this country in the 70s and 80s.

"In recent months there have been several instances where unions have stopped employees and suppliers going about their lawful business. The Toll/Coles and Grocon disputes are just two that have hit the public eye recently."

[In a statement earlier this week](#), AMMA raised concerns about the future of \$260 billion worth of resources construction projects when this type of militant union activity remains unpunished.

"This is a simple issue of whether or not unions are placed above the law," Mr Knott says.

"Where the law has been broken, it should be able to take its full course and not be cut short because some of the parties involved have come to a private arrangement.

"If the federal government can change its mind on carbon and asylum issues, then in the national interest it should restore the ABCC with its higher investigative, penalty and prosecution regimes.

"In the absence of such action, unions will be further emboldened by the belief they are indeed 'untouchable' by the rule of law that applies to ordinary Australians."

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