

JOINT MEDIA RELEASE

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Construction industry players call for Code of Conduct in Queensland

TWO of the most active employer groups in Queensland's construction industry are calling on the State Government to implement a Code of Conduct and state regulator to address rising union militancy and strike action on building projects.

Master Builders Queensland and AMMA (Australian Mines and Metals Association) both warn the increased risk of unlawful union activity, coupled with hostile provisions in the federal government's *Fair Work Act 2009*, are putting Queensland's major construction projects at risk.

The issue is exacerbated by the abolition of the Australian Building and Construction Commission (ABCC) in June, which watered down the consequences for unions engaging in illegal and damaging activity.

"The commercial sector of the Queensland building and construction industry over the last year has experienced one of the most difficult periods of unlawful industrial conduct in its history," says John Crittall, Master Builders Queensland Director, Construction Policy.

"The critical issue is the failure of the industrial system and the building unions to abide by the rule of law. The emasculation of the ABCC and militant union tactics during agreement making under the Fair Work legislation has resulted in unprecedented periods of industrial action and lost time.

"The industry requires a stable industrial environment in order to attract investment and create jobs and the State Government has an extremely important role to play. The failure of the industrial system to cope with industrial disputes adds further weight to the need for a new Building Industry Code of Conduct in Queensland to protect building projects."

AMMA Executive Director Industry, Minna Knight, says resource construction projects across Australia have suffered wage blow-outs and lengthy delays due to the increased union powers under the Fair Work legislation.

"Resources-related construction projects are forecast to create 40,000 new Queensland jobs by 2015, with around \$200 billion worth of investment either underway or in the state's pipeline. But these projects could face excessive wage blow-outs, costly delays by unions stalling agreement negotiations, and illegal strike activity," Ms Knight says.

"In the recent Grocon/CFMEU dispute, we have seen construction unions openly ignore court orders to return to work and instead continue to cause reckless damage to important developments.

"Without the stronger prosecution powers of the ABCC, there is no national regulatory authority to hold such illegal actions to full account. The state of Victoria has responded to this threat by introducing its own Code of Practice for the Building and Construction Industry, and Queensland should do the same.

"Such a code, along with an industry regulator, would describe the minimum standards and behaviour that is expected of all parties involved in Queensland construction projects.

"The best practice standards of the Queensland construction industry need to measure up to world best practice. AMMA joins Master Builders Queensland in urging the Newman State Government to develop a Code of Practice and industry regulator to apply at state level."

Minna Knight and John Crittall will this morning outline these concerns at Brisbane's Australian Construction Industry Forum, which explores the future of Queensland's construction industry. The construction sector accounts for around 7.8% (\$105bn) of Queensland's total GDP and 11.7% of total full-time workers in the state, with 196,400 people employed in the industry.

For all media requests, contact AMMA media and government relations adviser Tom Reid on M: 0419 153 407 or E: Tom.Reid@amma.org.au.