

# MEDIA RELEASE

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## Labor and Greens Senators let dodgy union officials off the hook

THE Labor and Greens Senators who yesterday blocked the passage of tough new governance rules for all registered organisations are essentially letting dodgy union officials off the hook, says resource industry employer group, AMMA.

"We have recently seen the embezzlement of fees from hard working members of organisations such as the Health Services Union, as well as other alarming allegations now arising in the Royal Commission into union corruption," says AMMA chief executive, Steve Knott.

"It is unbelievable that while the broader community is very concerned with reports of union corruption, Australia's Labor and Greens Senators would block greater accountability and transparency standards for officials of registered organisations.

"Many registered union and employer organisations are significant business undertakings, some with annual turnovers well in excess of \$50 million. Members put a high level of trust in their officials to manage these funds for appropriate purposes.

"There is absolutely no logic for trade union and registered employer group officials not being held to the highest level of accountability in all their activities.

"Opposition Leader Bill Shorten said in his 'Towards a Modern Labor Party' speech last month, that those who betray the trust of their members 'don't belong in the union movement'.

"Mr Shorten and his Labor Senators must accept that supporting new protections for members of registered organisations would be a landmark step in backing this statement with action."

Since its inception in 1918, AMMA has been voluntarily incorporated under Australia's company laws, greatly benefiting from the same governance and reporting accountability as the employers it represents.

AMMA supports the government's proposed introduction of a dedicated Registered Organisations Commission to ensure stronger regulation of unions and employer groups.

However Mr Knott notes such a responsibility would be better handed to the Australian Securities and Investments Commission (ASIC) in the interests of cutting red tape.

"In keeping with its campaign to reduce red tape and unnecessary duplication, the government should consider placing all unions and employer groups under the jurisdiction of the Corporations Act as AMMA has been for over 96 years," he says.

"This would remove all the special rules for registered organisations and see their officials held to the same standards as company directors.

"In hindsight, if such prudent policy was enacted decades ago perhaps there would be no need for any Royal Commissions into alleged widespread union corruption."

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