

# MEDIA RELEASE

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## **Resource industry bewildered as Senate blocks ABCC legislation** *(AMMA – Australian Mines and Metals Association)*

AUSTRALIA's resource industry is disappointed the Federal Parliament today chose not to support the government's tough stance against union corruption and unlawfulness, with the Senate voting down legislation to restore the Australian Building and Construction Commission (ABCC).

"In the current environment it is beyond belief that the Senate has voted against a more effective industrial watchdog for the construction industry, and more severe penalties for those found to be breaking the law," says AMMA chief executive Steve Knott.

"This sends a very bad signal that our parliament is not interested in cleaning up the unlawfulness and thuggery bringing down one of Australia's most important industries.

"As the Senate voted against a more effective regulator, the existing FWBC agency launched yet another Federal Court prosecution against the CFMEU, this time alleging two officials forced their way onto a public school construction project, stopped work and coerced employees into signing up to the union.

"Under the current regulator the maximum penalties for such behaviour is \$10,200 for an individual and \$51,000 for the union. This is less than one-third of the penalties that would apply, at \$180,000 for unions and \$36,000 for individuals, if the Senate had today voted in favour of the ABCC.

"Australia needs stronger deterrents to stamp out thuggery, intimidation and illegality from our construction sector. Strong deterrents also have clear economic benefits, with the former ABCC having delivered a 9% productivity increase, reduced industrial action and saved consumers \$7.5 billion."

Mr Knott says it is especially disappointing to see the Senate evenly divided, at 33 votes for and 33 against, on a key aspect of the Coalition's pre-election policy platform that seemingly has broad community support.

He says continued efforts by the government to restore the ABCC should be supported, and a contingency plan developed to bolster the powers and penalties available to the FWBC.

"AMMA calls on the government to reintroduce this legislation as soon as possible and continue to work with crossbench senators to get it over the line," Mr Knott adds.

"This may require confidential briefings on any serious cases of criminality, coercion and intimidation uncovered by the Royal Commission into Trade Union Corruption that have not yet been made public.

"If restoring the ABCC with its full former powers turns out to be politically unfeasible, the parliament could instead look to bolster the resources and deterrent penalties of the FWBC.

"With a record number of cases before the courts, the existing agency must be given all the tools it needs to successfully prosecute, penalise and discourage ongoing unlawful behaviour in our construction industry going forward."

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