



## Coalition may torpedo militant union merger

The merger of the two most militant unions could be torpedoed by a Coalition plan to subject union amalgamations to a tough public interest test. The change could threaten the merger of the Construction, Forestry, Mining and Energy Union and the Maritime Union of Australia. ► **News p2**

# Coalition bid to torpedo militant union merger with new laws

Ewin Hannan

The merger of the nation's two most militant unions could be torpedoed after the Coalition proposed new laws subjecting union amalgamations to a tough public interest test.

Ahead of the proposed merger of the Construction, Forestry, Mining and Energy Union and the Maritime Union of Australia, Employment Minister Michaelia Cash said a union's "history of compliance with workplace laws" would be one criteria that unions wishing to merge would be assessed on.

Such criteria would cast doubt on the capacity of the two left-wing unions to get the merger approved given their well-documented history of civil law breaches.

"Any proposed merger between two registered organisations with significant economic power should be subject

to a public interest consideration in the same way that the merger of two companies with significant economic power would be," Senator Cash told *The Australian Financial Review*.

With members of both unions unlikely to vote on the merger until 2017, Senator Cash said a re-elected Coalition would seek to have new laws passed quickly by the Senate.

"This is a priority election policy for the Coalition and a re-elected Turnbull government will seek to have this passed by the Parliament as soon as possible," she said.

"This is not about any specific merger but about mergers generally, and fixing the current gap in the law that does not allow public interest considerations to be taken into account."

The proposal, which followed lobbying from business groups alarmed at the potential industrial strength of the merged union, was contained in

Senator Cash's response on Friday to the recommendations of the trade union royal commission. However, the public interest test was not recommended by royal commissioner Dyson Heydon.

Australian Mines and Metals Association chief executive Steve Knott suggested the merger between the CFMEU and MUA would not pass the proposed test.

"It's hard to believe an amalgamation of two of the most self-declared militant unions, the MUA and CFMEU, could be in the public interest. These unions publicly and proudly commit to breaking the law," Mr Knott said on Monday.

"In relation to offshore and onshore resource sector projects, a future amalgamation between the MUA and the CFMEU would potentially put at risk the stability of an entire supply chain.

"Their militant industrial tactics could jeopardise the timely completion of projects and supply of commodities to overseas buyers, and threaten future investment decisions."

Australian Council of Trade Unions secretary Dave Oliver said "unions are free-functioning, independent organisations and should remain so".

"By proposing to implement a public interest test for mergers, is the federal government suggesting that it should be able to get involved in such matters?" he said on Monday.

"Members are the ones who should and do decide amalgamations and mergers. It is an open, democratic process and members must always be free to decide who they associate with as part of their union."

Labor's workplace relations spokesman, Brendan O'Connor, said Prime

Minister Malcolm Turnbull "in his pursuit to weaken unions is seeking to interfere with the democratic rights of members of registered organisations".

"Decisions about union mergers and other registered organisations are entirely a decision for their members," he said.

CFMEU national secretary Michael O'Connor declined to comment on the test. Meanwhile, his lawyers will take action in the Federal Circuit Court on Tuesday seeking costs against the national building watchdog over its failed legal action against him.

Fair Work Building and Construction director Nigel Hadgkiss had claimed Mr O'Connor was one of 13 CFMEU officials who allegedly ran an orchestrated campaign of unlawful blockades and work disruptions targeting Boral subsidiary De Martin & Gasparini.