

MEDIA RELEASE

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New research shows why we need the ABCC

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AUSTRALIA can no longer afford to have the cost of building our hospitals, schools, factories, offices and mines pushed up by 20 to 35 per cent through industrial relations bullying and lawlessness.

A new Menzies Research Centre [publication](#) exposes the hidden costs imposed by the 'glaring lack of price competition' in the Australian construction industry. The report bells the cat on enterprise bargaining, and shows the construction industry is too often pattern bargaining at best and imposing centralised price control at worst.

If we continue to pay too much for our schools, hospitals, offices and factories, we will inevitably end up building less, persisting with ageing infrastructure that holds back our health, learning, productivity and competitiveness.

In mining, oil and gas, inflated construction costs and delays help drive investment and jobs to Australia's competitors. In the past two years alone \$160 billion in shovel-ready new resource projects have been cancelled.

Construction unions are big businesses, pursuing ruthless strategies that too often include coercion and illegal tactics. Construction unions no longer 'stick it to the man' or stand up for the little guy. They are sticking it to all of us by inflating the costs of our built infrastructure.

Decades of royal commissions and inquiries, and countless excoriating decisions from judges expose the culture of threats and intimidation that construction unions use to zealously drive competition out of the industry.

There is a crying need to bring industrial relations in this industry out of the Wild West and back into the legal fold.

The proven mechanism to break down this toxic culture, to stop the bullying, intimidation and illegal conduct, and to empower employers to stand up against pattern agreements, is to properly enforce our industrial relations laws through a dedicated and properly empowered enforcement agency.

In coming sitting days, Senators will have an opportunity to bring back the Australian Building and Construction Commission (ABCC), with coverage extended to offshore resource construction - an area of massive further potential for Australia.

It is in the interests of all Australians, and our aspirations for a safe, healthy, smart and employed Australia, that they do so.

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