



Union rallies costed at \$250m

Six days of industrial disruption caused by the ACTU's Change The Rules campaign are expected to strip more than \$250 million in lost productivity and wages from the national economy.

Workers in Melbourne, Sydney, Darwin and six regional cities will walk off the job for half a day tomorrow to attend Change The Rules protests, to be followed by protests in Brisbane, Hobart, Adelaide and regional cities.

While some union officials say the Sydney and Melbourne protests could attract up to 150,000 workers each, industry groups say the total economic impact of the lost work and productivity could amount to up to 3000 full-time jobs.

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\$250M HIT TO ECONOMY

Counting the costs of ACTU's campaign

SAMANTHA HUTCHINSON
VICTORIAN POLITICAL
REPORTER

Six days of industrial disruption caused by ACTU's Change The Rules campaign is expected to strip more than \$250 million in lost productivity and wages from the national economy.

Workers in Melbourne, Sydney, Darwin and six regional cities will walk off the job for half a day tomorrow to attend Change The Rules marches and protests, which will be followed by a dozen more protests at Brisbane, Hobart, Adelaide and other regional cities.

While some union officials believe protests in Sydney and Melbourne could attract up to 150,000 workers at each rally, industry groups say the total economic impact of the lost work and productivity could amount to up to 3000 full-time jobs.

Analysis by Masters Builders Australia, the peak body representing builders and the construction industry, shows the direct and indirect costs to the economy of the six-day campaign will be up to \$250m.

Estimates by the Australian Chamber of Commerce indicate the action could cost up to 50,000 working days lost in Sydney and Melbourne if each protest attracts 150,000 attendees.

ACCI chief executive James Pearson said the average worker attending the march would miss out on three hours of work, equating to 450,000 working hours lost. "They are striking because they want a pay rise, but they are delivering a pay cut to the state and the national economy," Mr Pearson said.

Other industry groups say some sectors and participants will be forced to shoulder a disproportionate amount of the lost productivity and wages, as well as fees for hired machinery unused during the day of action.

Australian Resources and Energy Group chief executive Steve Knott urged the Fair Work Ombudsman and the Australian Building and Construction Commission to stop the rallies, saying "choke points" affected by work stoppages magnified the costs.

"Resources and energy supply chains are often disproportionately exposed to the adverse impacts of unlawful industrial action in which even short stoppages of

work at critical 'choke points', such as ports, transport depots, supply warehouses and construction sites, can lead to millions of dollars of lost revenues," Mr Knott said. "For state and federal governments, adverse impacts include economic losses and foregone tax and royalty revenues."

A source speaking on the condition of anonymity said there was an expectation of big disruptions tomorrow at the Port of Melbourne, which was shut down for six hours during the Change The Rules rally in May.

An industry contact indicated the last shutdown could be worth as much \$70m on the basis the port handled trade of \$102 billion a year, amounting to an average of \$11.6m an hour.

A Deloitte Access Economics report by professor Ian Harper on a 24-hour nationwide shutdown at Patrick stevedores port terminals in 2016 calculated the cost of the stop work at more than \$40m.

Professor Harper's research found total disruption at Patrick's four port terminals cost the company \$235m a month, or \$7m a day.

He projected the strikes delivered a \$1.1bn a month hit to gross domestic product, or \$40m a day, from shutdowns at Patrick terminals in Melbourne and Sydney alone.

The Master Builders Association said the industry would be disproportionately affected because it was exposed to liquidated damages. "The highly unionised nature of the workforce will result in hundreds of building sites shut down, causing project delays, the cost of which will be amplified by the critical nature of construction work and liquidated damages," MBA CEO Denita Wawn said.

WEEK OF PROTESTS

TOMORROW: Hundreds of thousands of people, including dock workers and construction workers at major building sites,



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expected to stop work and attend mass demonstrations in Melbourne, Sydney, Wollongong, Gladstone, Cairns, Mackay, Darwin, Rockhampton and Townsville.

WEDNESDAY: Protests shift south to Hobart, Launceston, Burnie, Devonport and St Helens and the Victorian town of Shepparton.

THURSDAY: Marches through Adelaide and Wodonga.

FRIDAY: Rally in Bendigo.

TUESDAY, Oct 30: Week of disruption ends in Newcastle.