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## Pass the Ensuring Integrity Bill

Confidence in the conduct and operation of all Registered Organisations, including trade unions and employer groups, is essential to the success of the resources and energy industry. *The Fair Work (Registered Organisations) Amendment (Ensuring Integrity) Bill 2019* (“Ensuring Integrity Bill”) contains a range of measures seeking to lift the standards, behaviours and transparency of Registered Organisations in Australia.

The Ensuring Integrity Bill is good Australian public policy that has been stalled before the Senate since October 2017. It seeks to restore regulatory balance and, in turn, regenerate public confidence in relation to the conduct and operation of Registered Organisations in Australia.

Applying equally to all Registered Organisations, including trade unions and employer groups, its provisions are well-balanced and consistent with a number of key recommendations of the Royal Commission into Trade Union Governance and Corruption.

The cost impact of continuing and expanding lawlessness is of great concern for resources and energy employers. Since the Royal Commission handed down its findings, Australia’s most recidivist law-breaking union, the Construction, Forestry, Mining and Energy Union (CFMEU), was allowed to merge with another highly militant law-breaking union, the Maritime Union of Australia (MUA), in the absence of a public interest test which the Ensuring Integrity Bill would have introduced.

### THE EMPLOYER EXPERIENCE — LAWS REQUIRED TO KEEP TRADE UNION POWER IN CHECK

The CFMEU now wields unprecedented power for a private sector trade union in Australia, with its amalgamated resources including:

- » around 145,000 members;
- » approximately \$310 million in assets; and
- » more than \$146 million in annual income.

Such significant resources have emboldened the CFMEU to be even more brazen in its law-breaking, disregard for the Courts and rule of law, and in wielding political power. Its size and financial backing now allows it to have:

- » less regard to union member views and interests;
- » less need for compliance with workplace laws, given penalties pale in comparison to income and are not an effective deterrent; and
- » greater control of the Australian Council of Trade Unions (ACTU) and, in turn, influence of the Australian Labor Party (ALP).

The imminent escalation of unlawful conduct promised by unions is alarming for employers in the resources and energy sector. As a result of the merger, there will be a coordinated effort to impose its unlawful and disruptive tactics across the entire resources supply chain – “from pit to port” – servicing many of Australia’s largest and most important resources projects.

The international reputation of Australia’s ports and resources supply is at stake, as is the global trade of Australian commodities which is a key pillar of our national economy and living standards - the industry paid an estimated \$177 billion in company tax and royalties in the decade to 2015-16.

### Recommendations:

- » Secure the support for the Ensuring Integrity Bill in Parliament to safeguard the community and regenerate public confidence in relation to the conduct and operation of Registered Organisations in Australia.