



# INTEGRITY & BETRAYAL

**Tactics** The government was blindsided by Pauline Hanson's last-minute decision to vote down the "union buster" law, writes political editor **Phillip Coorey**.

**T**he government was so sure Pauline Hanson and her One Nation colleague Malcolm Roberts were going to vote for the Ensuring Integrity Bill (EIB), thus ensuring its passage, that it had a press strategy ready to go.

Industrial Relations Minister Christian Porter was preparing to proclaim a new era of industrial relations and an end to the days of militant unions using lawlessness and tuggery to hold Australian industries to ransom.

He would put the CFMEU on notice that if it didn't change its behaviour it faced the real prospect of deregistration.

Business and industry groups were also primed, with statements at the ready.

Passage of the legislation – which would have made it easier to deregister rogue unions and officials – would be one of the great early achievements of the 46th Parliament, the Australian Mines and Metals Association was ready to declare.

For the government, it would be a much-needed victory that would offset a bad week, thanks to a blunder by Energy Minister Angus Taylor that spread to Prime Minister Scott Morrison and raised questions about his judgment.

However, about 5pm Thursday, all such hope and sentiment evaporated when Hanson and Roberts, who hadn't even told their staff of their plans, voted with Labor, the Greens and Jacqui Lambie to defeat the EIB.

Labor senators applauded in joyful bewilderment. The government was humiliated. The feeling inside was one of anger and disbelief. It still is.

"Thanks, Malcolm," a Coalition senator yelled at Roberts, who had wanted to support the bill.

Mathias Cormann is one of the most meticulous operators in the Parliament. As the Coalition Senate leader, he does not allow a bill to progress to a final vote unless

he is 100 per cent sure the numbers are locked in.

As the smoke cleared on Friday, he left little doubt he felt he had been deliberately deceived.

"We put the bill on the way we did because we had been given very firm undertakings of support for the Bill," he said.

"Senator Hanson and Senator Roberts, the two One Nation senators, voted with us all throughout the week on every contested vote in relation to time management, in relation to amendments, every vote until the last one.

"We were absolutely blindsided and taken by surprise with the final vote, given all the undertakings we were receiving all throughout the week and before."

Cormann has been duded by Hanson before. Last year, as the unpopularity of the banks grew with each hearing of the Hayne royal commission, Hanson withdrew her

support for the company tax cuts. At least she told him in advance. This time there was no warning.

"If anyone tells us that they cannot support a piece of legislation we have to accept and respect that. But to be told that the support is there based on the agreements that we have already reached on amendments and then to find yourself in the situation we found ourselves in yesterday afternoon is very disappointing," said Cormann.

"It is a very difficult way to do business with each other when there is a lack of openness and transparency along those lines."

Hanson insists she betrayed nobody and that she made her decision based on a detailed assessment of the pros and cons of the legislation.

"At no time did I tell them they had my guaranteed vote," she said.

This is challenged not just by Porter and Cormann but others in the Coalition who say the government received numerous guarantees of support, both verbally and in the form of text messages going back weeks.

When *The Australian Financial Review* reported on Monday that Hanson was cooling towards the bill, the government went to her again, only to be assured there was nothing to be concerned about. "All through this week she told us she was totally locked

in," said a source.

The government was confident because it had given Hanson everything she asked for.

The bill enabled the Registered Organisations Commission to apply to have the Federal Court deregister unions and officials for a series of breaches of the Registered Organisations Act.

When the bill was first drafted, there were concerns that its remit was too broad, that services unions which represent nurses, for example, could be deregistered, and officials sacked for minor paperwork breaches.

Amendments pushed by the Centre Alliance party, and built on by One Nation, sought to deal with this by confining the application of the bill to the fullest extent possible to union militancy.

Porter met exhaustively with Hanson to sign off on her demands.

"Why would you propose 11 amendments to a bill, ensure that the entirety of the week in the Senate was devoted to debating the very amendments that you, One Nation, put up, and then ultimately to have them all accepted and not support the bill?" he said. "I've actually not seen anything like it. It is exceedingly strange."

Hanson listed several reasons for opposing the bill. The first was that the government's response to the Westpac scandal – that the board should decide the fate of the executives – was in direct contrast to its approach to unions. She stuck by this despite Morrison and his ministers stressing repeatedly the banks were no longer a protected species, as evidenced by the Banking Executive Accountability Regime which could jail executives for up to 15 years. Cormann repeated on Friday that Westpac



“will end up incurring very substantial fines”.

Hanson also cited reservations with powers in the bill that said unions could be put into administration if its officials breached workplace laws “on multiple occasions” and granted administrators control over the union’s property and affairs.

Administrators could also force employees to give them information about the union’s business and operations under threat of significant fines.

“We have seen the highly questionable behaviour of administrators, liquidators, receivers, and managers exercise unlimited powers on their appointment by the banks in the One Nation Senate inquiry into rural bank lending practices,” Hanson said.

“Under no circumstance was I going to unleash their unlimited power and zero accountability on Australian unions or other registered organisations.”

Porter said that not once, in all of the negotiations, did Hanson raise this concern.

He proposed what others on his side were thinking. Had Hanson done a deal with the unions for support in both next year’s state election in her home base of Queensland, and for the federal election in 2022?

**I**t may be that, you know, at the end of the day, they reached some agreement with the CFMEU, but that’s a question that you’ll have to ask One Nation,” he said.

ACTU secretary Sally McManus rejected the idea of the unions giving Hanson money or other campaign support.

“The sooner this government gives up on its failed strategy of making up lies about working people and their unions the better.”

A Labor MP and former senior union official said it was unlikely unions would donate money or in-kind support to One Nation because that would be too controversial. More potent, he said, would be a threat by unions such as the AWU to campaign against One Nation in working-class seats in north and central Queensland.

The theory is that Hanson has bought peace.

To pass the bill, the government needed either Lambie or Hanson.

Porter said he did not err by sidelining Lambie, who had promised for months to vote for the bill if John Setka was still running the Victorian division of the CFMEU, which he is.

That pledge also amounted to nothing. Lambie, who was being lobbied heavily by the unions and Labor, shared the same concerns about a broader application of the bill to non-militant unions.

“I had to make a call whether to support a bill that makes out like teachers, nurses and

fries are as bad as the CFMEU,” she said.

Only on the night before the vote was taken did she present the government with her own list of amendments. By then, the government was already locked in with Hanson, or so it thought.

Porter said her amendments were “totally unworkable” and way too late.

Hanson has also flatly denied that Labor leader Anthony Albanese, who took a lead role in negotiations, had anything to do with her decision.

What she didn’t disclose was that on Monday afternoon she took a carrot cake she had baked to his office to discuss over afternoon tea the bill and the amendments she was proposing.

As the government reels in shock, Albanese’s role in helping to thwart the bill has been important for his internal standing.


Albanese is not of the unions, per se, in the way that Bill Shorten was.

It was Albanese’s move soon after the election to expel Setka from the Labor Party that encouraged the government to fast-track the integrity legislation into Parliament.

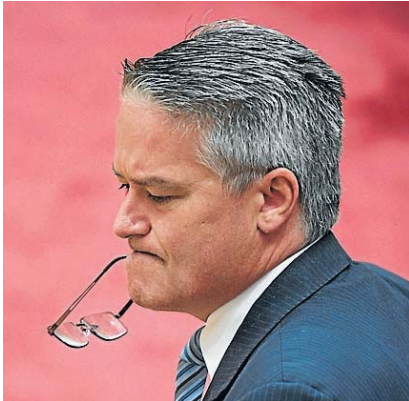
Albanese’s attack on Setka has made him powerful trade union enemies, especially among the industrial left in Victoria.

When Setka finally walked the plank a month ago, he claimed Albanese would fail the labour movement over the integrity bill.

“Mr Albanese was also failing to take up the fight on the government’s draconian Ensuring Integrity Bill, which, if passed, will leave Australia with the most extreme workplace laws in the world and severely restrict workers’ rights to seek fair pay and better working conditions,” Setka’s statement said.

It was no accident that on Friday morning, Albanese was in Melbourne with the nurses’ union to celebrate the outcome. 

**As the smoke cleared on Friday, Cormann left little doubt he felt he had been deliberately deceived.**



Top: Jacqui Lambie (left) confers in the Senate with Pauline Hanson and Malcolm Roberts. Upper Right: Mathias Cormann during a division in the Senate on Thursday. PHOTOS: AAP



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Opposition Leader  
Anthony Albanese  
greet nurses and  
midwives in  
Melbourne on  
Friday. PHOTO: AAP