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GOVERNMENT WRONG TO ABOLISH THE ABCC AS INDUSTRIAL DISPUTATION WORSENS

John Lloyd the Director of the Institute of Public Affairs Work Reform and Productivity Unit today called on the Opposition and non-government members of the Parliament to oppose a bill to abolish the office of Australian Building and Construction Commissioner.

The announcement today by Minister Evans that a bill to abolish the ABCC is to be introduced is bad policy.

The unlawful conduct that pervades the building industry is common knowledge. It can only be contained by a strong watchdog with strong powers.

A recent example of things getting out of control is the Victorian desalination plant construction project at Wonthaggi. Wages, allowances and conditions are exorbitant. The site has been subject to unprotected industrial action and allegations of a go slow campaign. Cost over runs and project completion delays are in prospect.

The Government has already taken steps to weaken the regulation of the industry's workplace relations. The application of the National Code of Practice for the Construction Industry has been diluted. The ABCC has expanded its functions with a reduced emphasis on policing union thuggery.

ABS statistics are pointing to a substantial increase in industrial disputation. The number of working days lost per thousand employees has risen to 44.7 days in the June quarter 2011. This is a substantial rise on the 1.6 days recorded in 2006 and 2.8 days in 2008. The new high figure heralds a return to the bad days of industrial lawlessness that characterised the industry before the establishment of the ABCC.

Many fair minded people in the industry and amongst its clients will be dismayed that this Bill is to be reintroduced.

Building and construction play a vital role in our economy. Large projects are planned for coming years in mining, infrastructure and commercial building. Australia cannot afford cost blow outs and project delays because of rampant industrial tactics by building unions.

The deficiencies of the Fair Work Act are becoming apparent on a weekly basis. The industrial scene is increasingly characterised by protracted bargaining, industrial bans and strikes, and union opposition to work practice change to increase productivity. To now unleash the building unions in this environment is courting a debacle. The only industry party that will be happy with this move is the building unions.

Mr Lloyd was appointed as the initial Australian Building and Construction Commissioner from 2005 until 2010.

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