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CONTEMPT FOR THE LAW TO RETURN TO BUILDING AND CONSTRUCTION

John Lloyd, Director Work Reform and Productivity at the Institute of Public Affairs, has today called for a Bill before the Senate to be defeated.

The Bill, the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2011, seeks to abolish the office of the Australian Building and Construction Commissioner (ABCC) and to dismantle much of the tough regulatory regime that is required to keep the industry in check.

The IPA lodged a submission with the Senate Education, Employment and Workplace Relations Legislation Committee on 19 January 2012. The Committee is conducting an inquiry into the Bill. Mr Lloyd was the inaugural Australian Building and Construction Commissioner and held the post for five years from 2005-10.

The Bill, in conjunction with other related decisions by the Government, signifies the dismantling of effective regulation of workplace relations in the building and construction industry.

The Royal Commission into the Building and Construction Industry was established in August 2001. It was the start of a concerted effort to address the industry's appalling record of lawlessness. In 2005 the Australian Building and Construction Commissioner (ABCC) was created. Respect for the rule of law was restored. The rights of all building industry participants gained greater protection.

It is shameful that the industry will now return to the lawless practices of the past. Ten years of effort will be largely wasted.

The impact on the Australian economy will be severe. The cost of projects will rise. Project delays and disruption will become more common. Improvements in productivity will be almost impossible to win.

The only industry participants to applaud the move will be the building and construction unions and those contractors who seek favour with them.

Mr Lloyd said "The Bill is not simply about the abolition of the ABCC and its replacement by a Fair Work Building Industry Inspectorate. It is about creating a new and diminished regulatory scheme.

"Coercion, intimidation, threats, low productivity and excessive increases in labour costs will reemerge with a vengeance to trouble the industry. The industry will no longer be patrolled by a tough watchdog.

"People and businesses that desire to go about their affairs in a lawful and productive manner will find this pursuit more difficult. The Government by introducing the Bill is letting down decent

**Institute of Public Affairs, Level 2, 410 Collins St. Melbourne
ph: 03 9600 4744 fax: 03 9602 4989 www.ipa.org.au**

people who want to conduct their affairs in a lawful manner. Unlawful and intimidatory conduct has no place in Australian commerce and should not be tolerated,” he said.

The full report can be downloaded at:

http://aph.gov.au/Senate/committee/eet_ctte/2011_building_construction/submissions.htm

For media and comment:

John Lloyd, Director, Work Reform and Productivity Unit, Institute of Public Affairs, 0417 130 634