

Australian construction union's bogus campaign against industrial laws

Oscar Grenfell
27 June 2017

The Construction Forestry Mining and Energy Union (CFMEU) has launched a fraudulent campaign against the federal government's Australian Building and Construction Commission (ABCC), a body tasked with suppressing strikes across the construction sector, accelerating the casualisation of the workforce and driving down wages and conditions.

The union is seeking to channel hostility to the ABCC behind the re-election of a federal Labor government that would be just as committed as the ruling Liberal-National Coalition to carrying out the dictates of the corporate and financial elite.

As part of this campaign, the CFMEU called a series of protests last week that were endorsed by virtually every other union, including the national umbrella organisation, the Australian Council of Trade Unions.

The rally in Melbourne was attended by up to 20,000 workers, while as many as 10,000 took part in Sydney. Up to 4,000 participated in Brisbane. Hundreds attended protests in the country's other capital cities. Along with construction workers, participants included workers in the manufacturing, nursing and tertiary education sectors.

The size of the rallies reflected a developing militancy among workers as well as broader opposition to the destruction of penalty rates, the lowering of wages and other attacks on living standards. As at previous protests, however, the political perspective advanced by assorted union bureaucrats was a combination of demagoguery and appeals to the political establishment, above all, Labor.

Much of the media coverage focused on the thuggish remarks of John Setka, secretary of the CFMEU in Victoria. Speaking in Melbourne, Setka targeted individual ABCC inspectors who enforce its draconian powers.

"Let me give a dire warning to them ABCC inspectors, be careful what you do," Setka said. "We will lobby their neighbourhoods, we will tell them who lives in that house and what he does for a living ... Their kids will be ashamed of who their parents are."

Setka was immediately condemned for advocating intimidation and threats of violence by senior Labor and Liberal-National politicians, some of whom demanded his resignation. This moral hand-wringing is utterly hypocritical from figures who do not hesitate to expand the police and use them against the working class.

Workers should give no credence, however, to the backward posturing of Setka, who has a long history of using inflammatory language and stunts to divert attention from the role of the union in collaborating with governments and employers to undermine the jobs and conditions of construction workers.

Setka alluded to the union's real concerns, when he condemned the Victorian Labor government for supposedly following the lead of the federal government by shutting the union out of lucrative state government infrastructure projects.

Likewise the union is fearful that the ABCC jeopardises its position at a host of sites, because it outlaws clauses in existing enterprise agreements, including limits on casualisation and requirements for union consultation. Up to 3,000 current agreements brokered by the union do not comply with the ABCC's requirements and could be ended in the coming months.

The ABCC has extraordinary police-state powers to outlaw industrial action and to intimidate and penalise workers, including compelling them to answer questions, hand over documents and testify in secret hearings. The previous Labor governments of Kevin Rudd and Julia Gillard abolished the ABCC set up

under the Coalition government but retained virtually all of its draconian powers in the Fair Work Building Industry Inspectorate, established in 2012 as its replacement.

The CFMEU waged no campaign against the new inspectorate because it upheld the bargaining rights of the union. This was in line with the support by all of the unions for Fair Work Australia industrial legislation introduced by the Labor government following the 2007 federal election. Labor's laws included anti-democratic provisions banning virtually all industrial action, and have provided for a continuous assault on wages and conditions.

The role of the CFMEU in enterprise bargaining was underscored earlier this year when it reached a deal to impose a 5 percent real wage cut, affecting up to 900 workers at the Maryvale Paper Mill in Victoria's Latrobe Valley. Similar wage-cutting deals brokered by unions across the country over the past three decades have contributed to wage growth falling to record lows of 1.9 percent across the private sector.

The CFMEU's claims to be concerned over the rise in casualisation and the operations of dubious private contractors are also a sham. Last year, for instance, it was revealed in the *Australian Financial Review* that the CFMEU had received \$700,000 from companies linked to George Alex, who has owned a number of contract labour and property development businesses.

At the Royal Commission into trade union corruption in 2015, it emerged that the CFMEU had extensive ties to Alex, and had cooperated with his labour hire companies. This was despite the fact that Alex was alleged to engage in "phoenixing" operations, whereby one business was shut down owing substantial sums of money, including in workers' wages and entitlements, but a similar business was established, trading in a new name.

In another instance reported at the Royal Commission, the union repeatedly signed EBAs with Foxville, a construction company, between 2011 and 2014. According to the *Sydney Morning Herald*, one of Foxville's subsidiaries, "repeatedly failed to pay employee entitlements before and during the time that the agreements were entered into." At the same time, the union received tens of thousands of dollars from Foxville, supposedly for workers' "union dues."

At last week's rallies, the CFMEU postured as an

opponent of the conditions that have led to a spate of tragic deaths and work accidents in the construction sector. For years, however, the unions have sat on health and safety committees that have subordinated safety to construction deadlines and profit interests. The union is anxious to maintain its positions on the committees because they allow for substantial influence on construction sites, and can be used to call industrial action in the event of a fall-out between the CFMEU and a company.

The union's real attitude towards safety is underscored by a recent parliamentary report into the persistence of "black lung" disease among coal miners in Queensland. The report made clear that the CFMEU had worked with the major coal companies to block basic safety measures from being enshrined in regulations, including a mandatory x-ray when workers left the industry, on the grounds that it would be an unnecessary impost on profits.



To contact the WSWs and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)