

# Labor government places Australian construction union under state control

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On Friday, the federal Labor government placed the construction division of the Construction, Forestry and Maritime Employees Union (CFMEU) under administration and removed 270 union officials from their posts.

The CFMEU's construction division and all of its branches across the country are now under the control of Mark Irving, a lawyer hand-picked by the Labor government to run the union on behalf of the capitalist state.

For at least the next three years, Irving will hold the position of CFMEU dictator, empowered to dismiss union officials, employees and workplace delegates, determine when and under what circumstances elections can be held and oversee the union's day-to-day operations.

Anyone removed from a union position through this process will be prohibited from running for office or being employed *in any union*, or serving as a bargaining representative, for five years, except with the express permission of the Fair Work Commission. This includes the 270 already discharged and any who voluntarily stepped down between July 1 and August 23.

Among those sacked were New South Wales (NSW) secretary Darren Greenfield, Queensland secretary Michael Ravbar, and Derek Christopher, who had been expected to take over leadership of the Victorian branch after John Setka's sudden departure last month.

National secretary Zach Smith, Western Australian secretary Mick Buchan and acting Australian Capital Territory secretary Michael Hiscox have retained their positions.

The sudden action, less than 24 hours after new legislation to enable it was officially proclaimed, underscores that the Labor government views the crippling of the major industrial union as a matter of the utmost urgency.

It has been just six weeks since the first Nine Media articles were published alleging the CFMEU leadership was rife with corruption and links to organised crime. Now, without any of these claims having been proven in court, 80,000 construction workers have been stripped of the right to have any say in the leadership of their union.

The attack on the CFMEU is not about "purging" the union of rogue elements, as the establishment and most of the Australian union apparatus claim.

Instead, the CFMEU bureaucracy has come under attack because it has failed to fully suppress the demands of a historically militant section of the workforce. While still far short of the rising cost of

living, the 5–6 percent annual pay rises in recent CFMEU deals are unacceptably high for the ruling elite.

This is a frontal assault against not just construction workers but the entire working class. While the legislation passed last week only applies to the CFMEU's construction division, there is no reason for workers to believe that it will not be broadened to include any or all unions.

A clear precedent has been established: If the law does not provide the mechanisms necessary to crack down on a section of workers, it will simply be changed. This was done with the support of virtually the entire political establishment. The Liberal-National opposition demanded several amendments to make the legislation harsher, to which Labor quickly agreed.

The Greens waited until the bill's passage was a forgone conclusion before issuing token criticism. They stated: "Labor and Liberal have ensured [shadow workplace relations minister] Michaelia Cash will be able to appoint a new administrator of the CFMEU if there is a change of government." The Greens have no opposition to workers' rights being subordinated to state control as long as a Labor government installs the leader.

The passage of the legislation has been celebrated in the financial press, making clear that the target of this operation is working-class wages and conditions. Earlier commentary claimed that placing the union in administration was too limited and that the CFMEU should be deregistered entirely. But now, the importance of the move is being more openly expressed.

On Friday, the *Australian Financial Review* (AFR) quoted an unnamed building industry leader as saying that the administration was "an extraordinary juncture in the industrial relations landscape of the building industry."

Another construction industry figure cited anonymously by the AFR said, "I think this is the most significant thing I've seen in my 40 years in the industry. I saw the [Builders Labourers Federation] deregistered in 1986—but that pales to nothing in comparison to the impact of this."

Those comments underscore the magnitude of the attack that is underway. The deregistration of the BLF by the Hawke/Keating Labor administration, working in tandem with the Australian Council of Trade Unions (ACTU), was a spearhead of the Accords between government, business and the union leadership that deregulated the economy and involved a massive offensive against the working class.

The deregistration cleared the way for the sacking of thousands

of builders' labourers and the smashing up of rank-and-file organisations on building sites that had led the fight for wages and conditions. The BLF leadership capitulated to the attack by the government without lifting a finger, while workers paid the price through deepening exploitation.

Indicating similar motives behind the current attack, the AFR reported this week that "at least six builders ... including two big companies" whose workers are covered by the CFMEU are planning to remove so-called "veto" clauses from their enterprise agreements.

These measures allow the union to keep contractors with lower wages and conditions off major projects. The major builders are seeking to destroy the clauses in order to drive down their overall labour costs by engaging cheaper contractors, effectively undermining the wages and conditions contained in existing CFMEU agreements.

To modify existing agreements, employers will have to put the proposed changes to a vote by workers. But, as the AFR explained, "companies are more confident about pushing ahead with the changes once the CFMEU is in administration." This is because any opposition from workers in the union, from strikes and industrial action to posters and text messages calling for a "no" vote, will ultimately be subject to the approval of the state.

With the construction union neutered, "minor" changes to one or two clauses in enterprise agreements will only be the beginning of a major onslaught on jobs, wages and conditions in the building industry.

Construction workers can draw no confidence from the administrator's comment Friday that "The administration will be a union conducted independently of government and regulatory control, except to the extent required by law, and will act lawfully to pursue the purposes of the union and serve its members."

Irving has been appointed to the more than \$600,000 a year position to impose the demands of the corporate and financial elite. He will be answerable only to the government and shielded from any legal action arising from his actions as administrator.

Already, signs have emerged suggesting Irving's claim, "the union will continue to operate as normal" is a complete fraud. Advertisements for rallies opposing the administration were taken down from the CFMEU's NSW and Victoria Facebook pages within hours of being posted.

The rallies, to be held around the country tomorrow morning, themselves express the bankruptcy of the ousted CFMEU leadership and that of the Electrical Trades Union, Maritime Union of Australia (a division of the CFMEU), and other unions promoting the demonstrations against administration.

Not a single action was called by the CFMEU, or any other union, to fight this unprecedented bipartisan attack on the democratic rights of the working class until the deal was done. Moreover, when a group of CFMEU members called a protest to be held outside the ACTU offices on August 5, the same unions now promoting the rallies tomorrow demanded that it be cancelled.

Now, the protests have been called to provide a safe channel for workers to express their anger and opposition, within the framework of an organisation they no longer have even a semblance of control over.

The reality is that the leaders of the construction union have never actually opposed the administration process, only that it has been taken out of their hands. From the outset, they have engaged in backroom negotiations, including Smith's immediate proposal to place the Victorian branch under administration.

Appearing on Channel 7 last night, Setka alleged that his sudden resignation as secretary of the Victorian branch, before the first article alleging malfeasance was even published, was the result of one such backroom deal.

Setka claimed that then Workplace Relations Minister Tony Burke, and "I assume [ACTU secretary] Sally McManus," struck an agreement with Smith that the CFMEU would be "left alone" if Setka resigned, but subsequently reneged on the deal.

While unconfirmed, Setka's allegation is plausible. It would certainly help explain why Smith, who was elected last year to the Labor Party's national executive, is one of just three CFMEU leaders to have retained his position.

McManus and the ACTU have publicly backed the attack on the construction union to the hilt and were integral, along with building industry interest groups, to the drafting of the anti-CFMEU legislation.

The refusal of the unions to mobilise workers against the administration of the CFMEU is entirely in keeping with their role as an industrial police force, suppressing the struggle of workers against management attacks on their jobs, wages and conditions.

The union apparatus has supported, enforced and relied upon the Fair Work Act and its draconian anti-strike provisions since they were introduced by the Rudd Labor government in 2008, and these latest amendments will not change that.

The attack on the CFMEU is an attack on the jobs, wages and conditions of the entire working class and must be fought. But this is impossible within the framework of any of the trade unions, which are tied by a thousand threads to the Labor government and the financial and corporate elite.

This means workers need to take matters into their own hands. Rank-and-file committees, democratically run by workers and independent of any union, must be built to fight the dictates of the administrator.

Construction workers cannot wage this fight alone. What is required is a joint industrial and political struggle against the assault on the working class and the subordination of society to the demands of big business.



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