

Australian construction union boss steps down as Labor-appointed administrator tightens screws

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On May 22, Zach Smith announced he would resign his position of national secretary of the Construction, Forestry and Maritime Employees Union (CFMEU), while continuing to serve as secretary of the Victorian and Tasmanian branch.

Smith's resignation does not constitute a break with Mark Irving, the construction union's government-appointed administrator. Instead, it is an attempt to bolster Smith's credibility with workers so that he can continue to serve as a lackey of the administrator, and, in turn, Labor and the financial and corporate elite.

Last August, using the pretext of unproven media allegations of widespread corruption and links to organised crime, the federal Labor government placed the union's construction division under administration, immediately sacking almost 330 elected officials.

In reality, the draconian move had nothing to do with ridding the CFMEU of "rogue elements." It was about subordinating a historically militant section of the working class even more directly to the state and the employers, to facilitate attacks on their wages and conditions amid a downturn in the building sector and the economy.

Smith, himself a member of the Labor Party's national executive, was one of the few officials to retain his position—tasked with suppressing opposition to the administration.

Smith told CFMEU members in a May 22 statement he had made the "tough" decision to step down from the national role, because he was "spread too thin" and had come to the realisation that he could not "do justice to both roles." The Victorian branch deserved his "full focus."

More tellingly, Smith declared, "I cannot be asked to take responsibility for decisions that are not mine." This was a reference to the administrator's decision on May 13 to sack Michael Hiscox from his position as acting Australian Capital Territory (ACT) branch secretary and place the branch under administration. This leaves the West Australian (WA) branch as the only one still under elected

leadership.

Irving claimed the removal of Hiscox was because the branch had seen an 18 percent drop in membership on the year to March and was projecting a \$500,000 annual loss—a figure disputed by Hiscox's supporters. In reality, the fall in membership in the ACT is basically in line with a 17 percent decline in building approvals for non-residential construction in the territory over the past year.

But more fundamentally, the move against Hiscox explodes the entire pretext of the administration. Hiscox was not accused of corruption, Irving's purported remit. And the pretext for the removal of Hiscox underscored the fact that the administration is aimed at furthering the already far-advanced corporatisation of the unions, with the well-heeled, government-appointed lawyer demanding that the ACT branch be run as a business, based on profit projections and key performance indicators.

That aside, the real reason that Hiscox was dumped was clearly because less than two weeks earlier, he and Mick Buchan, secretary of the WA branch, issued a statement raising criticisms of the restructuring operation proposed by Smith and Irving.

The pair said the plan to further centralise the union's day-to-day operations would "deprive rank and file members of having a voice in the way that their union is run."

Irving's swift reprisal against Hiscox shows that even limited and conditional opposition to the quasi-dictatorial rule of the administrator will not be tolerated. Hiscox and Buchan had not called for a membership-wide vote, let alone a mobilisation of workers against the restructure, in line with the orientation of the entire bureaucracy, including that wing which has been ousted, to manage the situation through pleas and appeals to the administrator.

Hiscox and Buchan were undoubtedly concerned that centralisation would undermine the financial autonomy of their branch and their own position. But there is also little doubt that they felt compelled to issue their criticism,

because of opposition from the rank-and-file to the restructure.

Similar calculations lay behind Smith's resignation. Initially, he had publicly denounced criticism of the restructure plan as "personal attacks" from people who were "hanging on to the past." But the sacking of Hiscox, Smith's own former deputy in the ACT branch, placed him in a difficult position.

Smith told Radio 3CR's *Concrete Gang*, "Mark Irving called me after he'd met with Michael Hiscox and after he'd made the decision. ... Do I support the decision? Of course I don't."

Smith, attempting to cover himself, continues to insist that the restructure plan is his, not the administrator's, noting in his May 22 statement, "I urge the union to see it through." This underscores that his stepping down as national secretary is a tactical move, aimed at saving face in light of opposition to the axing of Hiscox.

This is necessary because Smith is still considered an essential component of the Labor government's plans to complete the evisceration of the CFMEU, removing any obstacle to the rapacious profit demands of the major construction companies and property developers.

Smith has been the construction union's national secretary since March 2023, and took over control of the Victorian branch in mid-2024, initially as part of backroom manoeuvring with the federal Labor government, aimed at avoiding administration or implementing it in a way that was more favourable to the CFMEU bureaucracy.

Smith's move late last year to take a more hands-on role in Victoria was clearly motivated by the enormous opposition among workers to the Labor government's attack on their democratic rights, which erupted most sharply in that state.

The first protest rally in Melbourne against administration involved some 40,000 workers, several times larger than demonstrations elsewhere in the country, animating calls for building industry-wide strikes, that would have involved members of other unions as well.

Anxious to quash such a development, Smith addressed the second Melbourne rally, calling for "business as unusual," insisting that workers could still fight for their wages and conditions despite the union being under state control. There was no need to fight the administration, much less the Labor government.

Strongly supported plans for a 72-hour strike were liquidated and no further protests against the administration have been held in Australia's second largest city.

Smith has not acted alone in suppressing any mobilisation of workers against the administration and the Labor government. A layer of the ousted CFMEU bureaucracy, led

by the former Queensland branch leadership, Michael Ravbar and Jade Ingham, in September launched a challenge against the administration in the High Court. This case has been used ever since to shut down opposition to Labor's attack, with workers told again and again that they have to wait for the court to hand down its ruling, which remains outstanding.

From the outset, this legal manoeuvre was a political diversion, nothing to do with defending the interests of construction workers and instead aimed at restoring the privileges of the sacked CFMEU officials. Moreover, the case is unlikely to succeed, and in any case, the Labor government could simply amend the legislation in the event of a High Court loss.

The actions of the administrator, Smith, and the ousted bureaucrats, all point to one thing. To fight the administration and defend their democratic rights, building workers need to take matters into their own hands.

Rank-and-file committees, independent of any union, should be built at construction sites across the country. These would be a mechanism for coordinating unified and sustained action, not just occasional protest stunts. Such committees could make a powerful appeal for a united struggle with manufacturing, logistics and other sections of workers, who also face attacks on their jobs, wages and conditions.

What is required is a political fight against the Labor government, the union apparatus, and the capitalist system itself. It poses the need for a new, socialist perspective, which rejects the subordination of construction, and every area of economic life, to the profit dictates of the property developers, the major corporations and the banks.



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