



**Senate Inquiries
Parliament House
Canberra ACT 2600**

Senate Inquiry into the Government's approach to re-establishing the Australian Building and Construction Commission

Dear Senate Inquiry

Thank you for the opportunity to respond to the Senate Inquiry into the Government's approach to re-establishing the Australian Building and Construction Commission.

The Australian Institute of Building (AIB) strongly supports the immediate re-establishment of the ABCC with its former powers. The AIB supports all parties abiding by the law, and for a strong enforcement agency that will ensure that this occurs.

After the establishment of the ABCC in 2005, building sites across Australia saw a massive cultural shift. The level of industrial action sharply declined to a level that is comparable with other industries. Clear rules were put in place that managers and workers understood, and it was clear to all parties what their rights and responsibilities were.

Without strong sanctions against illegal behaviour in the construction industry, and regulation to compel people to speak about such behaviour that they have witnessed, then we will see a return to this behaviour. The ABCC also protected workers by enforcing that employers pay them the correct pay scales, so everybody benefitted. Since the ABCC was abolished by the former Government, industrial activity has been on the rise, and this has meant higher costs for construction firms, and has added to financial pressures that have seen more companies going bankrupt. The higher costs have also resulted in less construction work, which has meant less work for existing construction workers, and fewer new workers being taken on. The re-establishment of the ABCC would therefore be a win-win for construction firms and workers in the industry.

We also support right of entry provisions, a focus on productivity, with industrial action allowed only if agreed to by the Fair Work Commission if the claims are deemed to be realistic and sensible. This will stop wildcat strikes and extortionate claims by unions demanding \$100,000 salary increases for their members.



Thank you again for the opportunity to comment, and AIB would be happy to attend a Senate estimates committee to discuss re-establishment of the ABCC.

Yours sincerely

Robert Gordon Whittaker FAIB Chartered Builder (NBPR-1)

Adjunct Fellow – School of Mathematics Computing and Engineering – the University of Western Sydney

Adjunct Professor – Faculty of Business Government and Law – University of Canberra

National President

January 17th 2014.