

TRANSCRIPT:

Innes Willox interview with Steve Austin on [ABC Radio Brisbane Breakfast program, 23 August, 2024](#)

CFMEU Administration and introduction of 'Right to disconnect'

Steve Austin, ABC Radio Brisbane:

Let me take you back to a story I touched on earlier on when I spoke with Queensland's Minister for Industrial Relations, Grace Grace. What does it take to put one of Australia's most – what's the word? Influential? I'm not quite sure that's the right way to put the CFMEU. Aggressive? High profile? – vocal unions under administration? Lots of negotiation, lots of back and forth.

And as we've discovered, the law has been unable to do much until the media got involved and revealed links between organised crime, outlaw motorcycle clubs and the (*inaudible*).

There are still a range of complex sticking points, as you heard in my discussion with Grace Grace. So let's go to Innes Willox, the chief executive officer for Ai Group.

Innes Willox, so we've got the federal legislation, here in Queensland the state Parliament has passed state legislation to mirror the federal legislation. Is this enough?

Innes Willox:

Morning, Steve. Good to talk to you. Well, this morning it seems that the federal government has been able to act and put the CFMEU's construction division into administration, and that has come through just in the last couple of minutes. So that the administrator, who has now been put in place will essentially take over and run the affairs of the Union, so this is sort of a big step change in how the Union will operate and hopefully over time, how construction sites across the country will be able to function.

It's really important that this step was taken. Constructors, builders have been dealing with the CFMEU now for years, there's been so many reports from them of stand over tactics, thuggery, bullying, intimidation, you know, forced enterprise agreements put on to builders. All this had to stop. And I think constructors around the country are very pleased that we've got to this point. That said, Steve, you know the construction sector is a big one and construction workers, most of whom do a fantastic job, need to be represented by a strong union, but not an unlawful one, and hopefully this step over the next at least three years, will get the CFMEU Construction division back to being a lawful union.

Steve:

Queensland's Industrial Relations Minister, Grace Grace told me that the administrator, Mark Irvine, and you've told me, has now just actually physically taken over control, has the power to deal with things like bullying, threats and intimidation.

Do you agree?

Innes:

He certainly does have the powers to do that and we expect on behalf of Australian constructors who we represent, that he will do that and we'll be trying to make sure that he does. We know that he has what you would call sweeping powers to take over the Union. It's already been indicated this morning that a whole range of Union officials will have their employment terminated immediately.

Steve:

Any from QLD?

Innes:

Yes, yes, from right across the country. So that will be the first step, in trying to clean up the Union and to get proper representation from unions in the construction sector.

Steve:

I've spoken earlier on this week with Andrew Chapman, the Chief Executive Officer of the Major Contractors Association. There was some concern that at least here in Queensland there were some entities that were sort of hived off from the CFMEU, that may not be captured by the Fair Work Act. Can you speak to that at all? Do you have similar concerns?

Innes:

Well, yes we do and that's where the administrator's got to be able to have the power to take action to step in. So there's a whole range of what you might call links that the CFMEU has across different parts of our economy, redundancy funds and the like. They're of big concerns. You know, they have into training institutions and the like, but much more broad... the front of mind issue for the administrator has got to be basically to start the process of cleaning up the Union itself and then work his way out with his team into where the CFMEU has links.

The whole point here is to eradicate essentially crime and corruption from within the Union, which has been well documented for a long time. You alluded to it, Steve, in your introduction, the fact that politicians around the country stood there sort of slack-jawed and said we've never heard of this is, quite frankly, just unbelievable and a bit of a joke.

And this has been well known for a long time, and the fact now that it has been brought to the surface and has been dealt with is a very, very positive thing.

Steve:

My guest is Innes Willox, the chief executive officer of the Australian Industry Group, Ai Group. This is 612 ABC Brisbane. Steve Austin's my name.

On that there seems to be well, when I spoke with Grace Grace, our Industrial Relations minister this morning on that issue of what we've known about in the past, she said, well, the Conservative government or the coalition was in power for the last 10 years. They had control and they didn't find anything.

Can you speak to why that might be?

Innes:

Well, we had the Australian Building Construction Commission, Steve, in place for many years and it was able to take the CFMEU to court and over \$20 million worth of fines were levied against the CFMEU by the court system over allegations of intimidation, thuggery, bullying, improper conduct, illegal conduct on building sites. So, to say that we didn't know, people didn't know that there was activity of this sort going on beggars belief.

Steve:

But with the coalition in Power Federally, it's a federal act, and yet not much was done to stop it then is what's being said here now.

Innes:

I really can't agree with that from a construction point of view, from a constructors point of view, because there was action... Where the concern has always been within the construction sector was that constructors have been, you know, haven't really had anywhere to turn to make claims and allegations of improper illegal behaviour that they could do so without being the subject of recriminations by the Union and that was a big concern for the construction sector. There's also concerns that state-based safety agencies have been infiltrated by the CFMEU. That made it very hard for constructors to have anywhere to go to lodge concerns.

The big concern that constructors have had is that they've been on the receiving end of this for a long time, but really haven't been able to stand up for themselves and know that they would have the support of governments – you know, particularly state governments – to try to clean it up.

Steve:

What do you think will change now in terms of civil construction?

Innes:

Well, we are all well aware of reports and indications that construction costs are highly elevated 30-40% above where they should be because of union activity. We're hopeful that this will be cleaned up very quickly. We'll see construction costs come down, workers paid fairly and construction projects being able to be finished on time.

Steve:

Whenever I've asked Union members about this, they say it's about safety – that simply this is people trying to, you know, cut corners and workplaces will become unsafe. That this is what the Union, the CFMEUQ, in Queensland's case, has been trying to achieve – to ensure that workplaces are safe. That's why they down tools so often. That's why there's all sorts of different meetings and these where members connected to the CFMEU have been made workplace health and safety inspectors. Can you speak to that Innes Willox?

Innes:

Yeah, I can. Look, yes of course there are safety issues and construction is a difficult business, there's no doubt about that. There's obviously going to be legitimate safety concerns. Where the issue is that safety has been weaponized as an industrial tactic to stop work on sites, now we have reports of, you know, work sites for 20 kilometres long road projects being shut down because the toilet at one end of the of the construction site isn't working. So the whole lot is shut down. It's been weaponized by the Union to stop work, to put pressure on constructors, to

pay up to knowing at various times through projects that, you know, if the work isn't done the constructor will lose millions of dollars a day, so it's just been weaponized unfortunately. So in that way that it's been bastardised, basically it has completely undermined the ability to have proper conversations around safety on site.

Steve:

My guest is Innes Willox from Ai Group. Innes, finally, the Ai Group was very involved in the consultation process around the right to disconnect laws. When do they come in?

Innes:

They start on Monday, Steve, and only about 50 minutes ago did we get advice from the Fair Work Commission, who's been trying to work through this complex issue, only about 50 minutes ago did employers get advice from the Commissioner and how they thought it should work in practise and what the rights of employers and employees should be – 48 hours before a quite dramatic change to our workplaces comes into place, so no wonder everyone's confused around what a right to disconnect actually means and how it will operate in practise. The initial concern, Steve, that we have from the Fair Work Commission's advice, is that it runs contrary to the legislation around the rights of employers to request of their employees some work to be done or a call to be made outside of work hours. Where does the obligation sit? Does it sit with the employer or on the employee in this case. You know, what is the right of the employer when when push comes to shove.

This is all going to be subject of enormous testing through the Commission, there's going to be a rewriting of our 122 awards to put this into the awards system. We're concerned it's just going to lead to more conflict and disharmony within workplaces and in the end will lead to reduced flexibility for both employers and their employees as they try to grapple with this. Employers face criminal penalties if they breach the law here, and you know, we really don't know how the law's going to be applied. That's of great concern to businesses, large and small.

Steve:

Good luck! Thanks for your time.

Innes:

Indeed. Thanks Steve.

Steve:

Innes Willox, Chief Executive of the Australian Industry Group

[ENDS]