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LABOR RESPONDS TO CONSTRUCTION INDUSTRY CONCERNS

Statement by Heather Ridout
Chief Executive Australian Industry Group

"Today's announcement by the Federal Opposition that they would continue with the Australian Building and Construction Commission (ABCC) arrangements until January 2010 is a very positive move and shows that they have accepted the legitimate representations of the industry," Australian Industry Group Chief Executive Heather Ridout said today.

"The decision will be well received by the industry.

"Ai Group and the Australian Constructors Association (ACA) have been stressing to Labor the importance of retaining the five key pillars of the construction industry reform program. The ABCC is one of those pillars. It is essential that its role, structure, powers and funding be maintained if we are to consolidate the generational change that has been achieved in recent times in the culture and performance of the industry.

"It goes without saying that the other four pillars also need to be maintained to preserve the current productive environment. They are: (1) the *Building and Construction Industry Improvement Act*; (2) the Federal Safety Commissioner; (3) the anti-pattern bargaining laws and other elements of the WorkChoices legislation; and (4) the National Construction Code and Implementation Guidelines.

"All five pillars have combined in a mutually reinforcing manner to achieve the existing very positive environment in the industry," Mrs Ridout said.

"Currently the construction industry is experiencing a period of unprecedented industrial harmony. In the current environment it is too easy to forget that only four years ago Commissioner Cole handed down his final report arising from the *Royal Commission into the Building and Construction Industry* identifying widespread unlawful and economically destructive practices in the industry," she said.

"Labor has said that from January 2010 the ABCC will be replaced with a specialist division within Labor's Fair Work Australia. The structure and powers of this division are not known but today's announcement would allow time for consultation to occur about whether such an approach is in the public interest or whether the ABCC needs to be maintained for a longer period," she said.

"The construction industry reforms have been highly successful and it would be a tragedy to return to the ways of the past.

"The industry has never been a better place in which to work and invest as is evident from the record low level of industrial disputation, high wages growth and higher productivity," Mrs Ridout said.

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