



Joint Statement: CFMEU Construction and Master Builders Australia

MEDIA RELEASE

Monday 23 March 2020

CFMEU and MBA join forces to battle impact of coronavirus

The MBA and the CFMEU National Construction Division are joining forces to ensure the construction industry remains a backbone of the Australian economy and able to sustain the millions of people dependent upon it throughout the coronavirus crisis.

The principle union and employer group in the industry are working cooperatively to keep people safe at work while calling on governments and the banks to support the industry and all its people through the uncertainty of the months ahead.

The construction industry is a lynchpin of the Australian economy. It accounts for around 10 per cent of our GDP and employs 1.2 million people which is 9.1 per cent of the entire Australian workforce. The industry provides more full-time jobs than any other sector of the economy and is made up of 395,000 businesses – 388,800 of which are SMEs.

If coronavirus forces the shutdown of the industry it will have a devastating impact on the economy generally and upon the lives of construction workers and business operators and all their families.

The health and wellbeing of everyone in the building and construction industry is our priority. This also means ensuring that the building and construction industry is kept as strong as possible through these difficult times.

The industry has capacity through work health and safety mechanisms to enact social distancing policies in workplaces along with heightened safety measures to protect workers and reduce the risk of infection. Social isolation and hygiene measures as discussed with health authorities are already in place on many sites and must be immediately put in place on all sites.

The strong health and safety culture in the construction workforce means our industry can maintain operations.

Industry participants must immediately adopt strategies for the appropriate management and containment of any confirmed virus diagnosis while enabling construction activity to continue to keep people in jobs and businesses afloat, where it is safe and appropriate to do so.

A comprehensive package of stimulus measures must be delivered to underpin building activity, the industry's massive contribution to the economy and protect the livelihoods of construction workers, builders and tradies around the country. Measures that are accessible by the most number of people will provide certainty and time limits can ensure measures are targeted to meet the immediate challenge.

If worksites are shut down and workers forced off the job due to the virus, there must be an appropriate and liveable safety net in place.

The impact of managing the virus may result in unexpected delays in construction exposing many builders to harsh liquidated damages provisions. These liquidated damages provisions can be a massive liability that could force businesses to the wall creating further unnecessary difficulties for the industry as a whole.

Governments and all clients and developers need put aside self-interest and commit to waiving liquidated damages provisions immediately, to provide certainty to the industry.

Quick payment for work done is even more critical in these circumstances so everyone in the supply chain, starting with clients, need to pay no later than 30 days. Some organisations are delaying payments for 90 days or more, putting significant financial stress on smaller businesses and contractors. This has to end. State and federal governments should also now direct that all principle contractors working on government jobs must pay their subcontractors in less than 30 days.

The banks have a critical role in keeping businesses viable and ensuring people have the funds they need to survive. All banks now need to provide substantial debt relief for businesses, workers and their families and we welcome the announcements made by the banks to date.

Banks have the same obligation as the rest of the community to do their part during this time of crisis.

A shut-down of building and construction would devastate not only the livelihoods of more than one million Australians but would be a disaster for the living standards of the whole community. The government, the industry, unions, clients and the building supply chain must all take proactive steps now to ensure building and construction remains safe and strong to help our whole community through this crisis.

Dave Noonan

Secretary

CFMEU National Construction Division

Denita Wawn

Chief Executive Officer

Master Builders Australia

Media contacts

CFMEU

John Kelly 0407 071 703

MBA

Ben Carter 0447 775 507