

EMBARGOED 1AM TUESDAY MAY 22

Brothers and sisters welcome to National Council.

This has been a big year for our movement and our union.

It's been a year for anything but 'business as usual'.

This year we have refocused our demands and ramped up our activism.

We have had major wins.

The wage increases and benefits we have won for transport workers is approximately \$5 billion right across our sectors.

That is impressive by any scale.

It means more money for working families to support their children and build a decent future for them.

It also means more money for our local economy.

Trade unions are improving the lives of people every day across our society.

Consider these facts from a study by the Melbourne Institute and the Department of Social Services:

- Male unionised workers earn 12% more than non-union workers
- Female unionised workers earn 18% more than non-union workers

The truth is that trade unions are hated by the likes of the Federal Government.

It's not because we are Union, but because we win for workers.

To try and stop our success, the Government is on the attack.

They have attacked us with a Royal Commission that ended up giving the TWU a clean bill of health but cost us \$1 million.

We demand our money back from this wasteful show trial.

It is a disgrace that our union was forced to spend this kind of money given the work we do in fighting for the safety of truck drivers, which are 15 times more likely to die at work than any other profession.

The Federal Government allows corporations like Dominos, Caltex and 7-Eleven to steal from workers by bending the rules, breaking them and altering them.

They force us to chip away at a gamed system which favours cashed-up corporations throwing huge sums of money at lobbyists, lawyers and spin doctors.

At the heart of this problem is the cosy network of unscrupulous businesses and conservative politics working hand-in-hand.

This is a toxic relationship, hooked on unfettered greed.

The Federal Government has given up even hiding this relationship and its own contempt for working people.

Workplace Minister Craig Laundy was recently asked on live radio if the system is good enough since Uber drivers are earning on average just \$15 an hour.

His exact reply was: “Yes, it is working exactly as it was designed to function.”

Our union is more than happy to endorse the candidate of Sam Crosby in the seat of Reid to run against Laundy and his policies which work against you, me and working families across the country.

Then we have the recent comments by John Lloyd, the Public Service Commissioner, whose job it is to ensure the public service has a workforce capacity to operate effectively.

Lloyd, a member of the right-wing think tank the Institute of Public affairs which wants to abolish the minimum wage, said our public services should be able to hire “workers on tap” who can be sourced on Airtasker and through Uber.

Yes this is the guy who was appointed by the Coalition.

He told a conference of public service managers recently that: “The inclusion of clauses restricting the rights of management to engage on-demand workers must be rejected.”

But we shouldn't really be surprised by Laundry or Lloyd's comments.

It also shouldn't shock us when the Business Council of Australia teams up with the Federal Government to campaign for tax cuts for major corporations at a time when wages are flatlining across the economy.

Or when the Federal Government fights tooth and nail against a Royal Commission into banking, limits its terms and references and initially only gives it just one year to operate.

The politicians in the Government, the top brass of the banks, the CEOs of companies which steal from their workers are not just co-conspirators - they are mates.

More than a quarter of the Federal frontbench are bankers or corporate lawyers who worked for firms which fight against workers and unions.

This of course includes former Goldman Sachs partner Malcolm Turnbull, former NAB executive Kelly O'Dwyer and of course Julie Bishop, who was a lead lawyer for the major industrial company CSR in attacking compensation claims of workers dying of asbestos diseases.

These people are choosing to take the side of the greedy corporations over your side... your family's side.

This system does not just rely on politicians who are mates and stooges of greedy corporations.

It relies also on weak regulatory institutions.

Starved of funding, understaffed and buoyed up by a culture of light-touch regulation, our institutions where ever we look are failing us.

After all the revelations which came out at the banking Royal Commission about cash envelopes filled with bribes and deceased customers being charged for advice, the Government in the recent Budget slashed \$26 million in funding for the corporate regulator, ASIC.

The banking regulator APRA has tried to talk tough in a report commissioned by the Federal Government to try to dampen down calls for a banking Royal Commission before it was forced to set it up.

APRA in the report details how Commonwealth Bank broke anti-money-laundering and counter-terrorism financing laws on almost 54,000 occasions, over a five-year period.

But the regulator failed to issue any penalties against Commonwealth bank, instead imposing “undertakings”, which the banks for years have been ignoring.

This contrasts with a fine of over \$271,000 imposed on our own union over membership records earlier this year. The excessive penalty was handed down

despite the Federal Court judge in the case stating, “I am not prepared to infer that the conduct was deliberate”.

He added: “I accept in this case that the behavior will not recur.”

Now what do you think would happen if you broke the law over 50,000 times?

Would you like Commonwealth Bank be let off the hook with a slap on the wrist and a pat on the head?

Would you get told by the authorities to try and do better next time?

Then there are the failed regulators and enforcers in the industrial relations system.

Like the Fair Work Ombudsman.

Despite the thousands of cases of wage theft which occur each year right across our country, this year the Ombudsman had its funding frozen.

A case being fought by our Victoria branch shows the utter failings of this body.

Three hardworking drivers had their wages and allowances stolen by Natures Plant Logistic over a seven-year period. The amount stolen was in excess of \$100,000.

The men stood up and challenged the company filing a case with the Ombudsman which agreed that they were grossly underpaid.

For two years infringement notices were sent to the company, conciliation took place and the company made soundings that it would resolve the matter.

But it never did, and the three drivers have never been paid their stolen wages.

The Fair Work Ombudsman has told our branch it can't recover the money since it doesn't have the resources to take a case to court.

It takes just 50 cases a year.

So wage theft continues, unchallenged, right under our noses.

The Fair Work Ombudsman like other regulatory bodies serves as window-dressing for a failed system.

It gives the appearance that wrongs are being righted but this is happening so infrequently, and the outcomes are so unsatisfactory that it is effectively amounting to nothing.

The Ombudsman for this reason should be wound-up and its resources should be redistributed to organisations that stand up for workers and fight injustices, like trade unions.

Right across the country there are 3,000 trade union organisers and tens of thousands of union delegates investigating and prosecuting injustices against working families.

They represent workers and help them to exercise their rights.

They assist people in standing up to wage theft and who demand fair rates and safe workplaces.

It is these people who should be supported in carrying out this vital work instead of throwing money at a neutered institution like the Fair Work Ombudsman?

Of course, the Ombudsman is just the end of the line in a failed industrial relations system.

It begins with a system that allows tech giants to enter our market and operate unregulated. They have wound back the clock on workplace practices and are deliberately avoiding our labour laws.

Delivery riders at UberEats, Foodora and Deliveroo work below minimum rates and are not even paid at all during some shifts.

It means companies like Airtasker refuse to guarantee minimum rates for workers on their platform and allow workers to be paid \$50 to remove asbestos sheets while only provided with a safety mask for protection.

No wonder Airtasker founders Tim Fung and Jonathan Lui (pron. LOUIE) have found themselves on the latest “young rich list” worth over \$40 million since they are ripping off working people in this way.

As Secretary of Unions NSW Mark Morey said recently the on-demand economy is operating a ‘catch us if you can’ mentality - getting away with whatever they can all in the name of making profit from vulnerable workers.

Rafi is one of those vulnerable workers.

The 21-year-old had been working as a delivery rider with Deliveroo for over a year when four weeks ago he fell off his bike while delivering an order.

He went to hospital emergency and was told he’d fractured his ankle and would need to take 6 weeks off work to properly recover.

Despite this warning from the doctors Rafi returned to work last week.

His ankle is sore and he’s not been able to get around on his bike to make deliveries that quick.

But he's back at work because he is in debt after his accident.

He wasn't paid while he was off injured and had to borrow from friends to get by. He also had to borrow from relatives to pay the \$700 for the hospital attendance.

The system is failing people like Rafi.

Does this sound like a fair system?

Is this a system fit for our current generation of workers?

Is it a system we should be passing on to our children and grandchildren?

For a fairer system to truly exist, for the right balance to be found we need to change the rules.

Our announcement this week of a ground-breaking agreement with accommodation platform Airbnb to ensure it will actively promote transport

companies for its business services that sign up to safe rates of pay and union conditions.

With this Airbnb agreement we are changing the rules and encouraging a race to the top.

We are showing that tech giants can and must sign up to decent labour standards.

Another important part of changing the rules is setting tight regulation on the top of the supply chains that determine what labour standards and safety looks like throughout.

A report by the Centre for Future Work today shows federal, state and local government spending is worth over a massive \$600 billion each year - that's 35% of our entire GDP.

This huge economic power can and should be used to improve standards.

It should be used to ensure that workers can support their families and give a much-needed boost to wage growth to bolster our economy.

Sadly, this is not happening on Turnbull's watch.

In fact, today's report shows how the Federal Government has brought in policies which are actually dragging wages down, hurting our communities and our economy.

The report gives the example of how the Federal Government's building code implemented through the Australian Building and Construction Commission legally prevents unions from protecting and lifting workers out of casual, part-time and labour hire work that undermines wages and job security.

The report states: "In this perverse manner, government uses its purchasing power to actually reinforce the trends which are so damaging to the traditional conception of inclusive economic growth."

It really is quite astounding how the Federal Government has used its economic spending power to enforce an anti-worker agenda through the ABCC.

Consider this. From the 1 April 2017 to 30 June 2017, one of the nation's biggest private construction companies Hutchinson was excluded from Government contracts because of sanctions recommended by the ABCC.

The "breaches" included:

- Helping a subcontractor resolve a pay dispute with the CFMEU on a Darwin project.
- Failing to inform one contractor that the building code applied on a \$4 million project
- Breaches involving the display of union signs on three Brisbane projects on the day ABCC inspectors visited. The company maintained those signs were not there 24 hours prior and that "strong loyal unionists put signs up and we pull signs down ..."

This is the current reality in Australia, dreamt up by the likes of Michaelia Cash and Craig Laundy, where companies can lose contracts for allowing union flags and stickers to be displayed.

But they don't lose contracts when they steal people's wages and superannuation.

In aviation we have the example of the misuse of government money.

The Federal Government spends up to \$80 million on flights with overseas airlines like Qatar and Etihad, companies backed by states which violate human rights and ignore labour standards.

Etihad is owned by United Arab Emirates, which locks up anyone who criticizes the regime, including human rights defenders and journalists.

Migrant workers - which make up 90% of its workforce - face serious exploitation, including fines and prison for just leaving an employer. Domestic workers are entirely excluded from labour laws and face horrific abuses, such

as physical and sexual assault by employers and work for weeks on end with no breaks or days off.

Clearly this \$80 million should instead be spent with domestic airlines Virgin and Qantas, boosting local jobs and Australian standards.

We as a community have a right to expect our taxes to be spent supporting fair standards and policies and contracts that work for us, not against us.

Our union has some great successes in holding governments to account for how workers are treated when public money is being spent.

In NSW, waste companies on contracts with local councils in the Central Coast, Penrith and Randwick must agree to protect job security, wages, and conditions of existing waste collection workers.

In Queensland, bus drivers in private firms must be paid comparable wages to their counterparts in publicly-run transit divisions.

In Victoria, drivers of tip trucks on government building projects will have to be paid minimum hourly rates so that safety and fairness is prioritised. As today's report states, the raising of standards on these government projects will likely raise standards throughout the trucking industry.

Despite these wins, it is clear we need a national system that sets strict rules on labour standards that should apply throughout federal, state and local government contracts.

Companies awarded contracts should have union workplace agreements negotiated with industry-wide standards. Workers should have the right to bargain right across the supply chain, not just with an immediate boss which continually pleads poor because of the pressure from the top.

Companies should provide training and facilitate union inductions.

Any breaches found in a government supply chain should be the responsibility of lead contractors. The days of shifting responsibility to middle men and sub-contractors forced onto meagre margins must end.

The government must also have the power to terminate contracts where breaches are found and suspend contractors from bidding. A “three strikes and you’re out” clause would concentrate the minds of companies which persistently break the law, safe in the knowledge that there is no real come back.

Fines must be increased. If an employer in a government supply chain is found to have underpaid its workers it should face a hefty fine, with the additional revenue allocated to further enforcement of government procurement supply chains.

Monitoring and enforcement of the rules must be conducted through a Procurement Board which should sit in the Department of Premier and Cabinet or Department of the Prime Minister in the case of federal government procurement so that it has the authority it requires. It should have direct union and employer association oversight.

The world is moving ahead on this.

The City of Los Angeles now requires a minimum wage for work performed at LA Airport.

In Glasgow, the city council requires construction contractors to develop binding agreements regarding hiring, labour standards and community amenities.

The United States brought in the Fair Pay and Safe Workplaces Executive Order, which required companies bidding on contract worth \$US500,000 or more to disclose any labor law violations over the previous three years. These violations would form part of the assessment of bidders.

It won't surprise you to hear that Turnbull's buddy President Trump last year overturned this Order. This is a serious problem for America since according to research by Demos, a New York-based think tank, approximately 40 percent of the money the government spent on federal contracts between 1999 and 2013 went to companies with records of violating health and safety or wage and hour laws.

In Australia we can be better than this and we can reject Trump's view of workers' rights.

We must back rules that demand that our taxes are spent on projects that pay workers fairly and guarantees their safety on the job.

These rules would ensure we stay ahead of the game on public procurement and end the practice of rewarding companies that game the system.

There is much to change in our system but the determination shown by working families to see this happening is heartening.

Our own union has been involved in protests right around the country whether over Aldi's shoddy supply chain, demanding accountability from airports over standards for workers or injustices in the waste and bus industry.

We have been proud to stand with our brothers and sisters in other unions at huge turnouts to protest over the need to fix the system.

The 120,000-strong turnout in Melbourne two weeks ago should serve as a notice for anyone who thinks this movement for change will go away.

We are fully behind the ACTU call for fundamental change to our industrial relations landscape.

We welcome by policy proposals by the Labor Party to be implemented when Bill Shorten takes government after the next election.

This fight will be tough. But always remember we will not go away.

We will never stop fighting for working families.

We will not end our battle under the system is fixed and the rules are fit for purpose.