



MEDIA STATEMENT

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BORAL WELCOMES FINAL REPORT OF ROYAL COMMISSION INTO TRADE UNION GOVERNANCE AND CORRUPTION

Boral Limited has welcomed the recommendations of the final report of the Royal Commission into Trade Union Governance and Corruption.

CEO and Managing Director, Mike Kane, said the report should be read in conjunction with the Commission's interim report released last year, which covered matters relating to Boral.

"Together, these reports are a comprehensive catalogue of rampant union abuses of the Australian legal system by serial recidivists," Mr Kane said.

Commenting on the construction division of the CFMEU, he said, "It is abundantly clear that the rule of law has been trampled on by an organisation that prides itself in taking the law into its own hands".

Mr Kane said he was pleased that the seriousness of the CFMEU's continued disregard for the rule of law had been recognised, including in the Royal Commission's statements that there is "a longstanding malignancy or disease within the CFMEU" with symptoms such as "regular disregard for industrial laws by CFMEU officials" and "CFMEU officials habitually [showing] contempt for the rule of law."

"Today's report is significant because it provides a clear pathway of reform so that in future, organisations illegally targeted can get immediate assistance from government to halt conduct designed to financially punish law-abiding businesses who get in the way of the illegal designs of rogue unions like the CFMEU's construction division," he said.

Mr Kane said that recent efforts by the CFMEU to direct attention away from its unlawful activities by falsely claiming that they were engaged in an industrial dispute with Boral had been largely ignored by the public.

"As the Royal Commission has made clear, Boral was targeted by the Victorian construction division of the CFMEU for reasons that had nothing to do with industrial matters relating to Boral or our employees," he said.

"Boral continues to support the reintroduction of the Australian Building Construction Commission as the first step needed to restore the rule of law on construction sites. We also welcome the reform agenda offered through the Royal Commission report as necessary remedies to deal with a blight on the construction industry that is eroding global confidence in Australian construction markets.

"In particular, Boral welcomes the measures designed to ensure that rogue officials of a union do not subvert the interests of their members and legitimate industrial objectives, including:

- the ability of union members to bring derivative actions on behalf of a union against officials who breach their duties;
- legislation preventing union officials being reimbursed for fines and civil penalties out of union members' funds;
- greater alignment of union officials' duties with company directors' duties, including alignment of civil penalties and the introduction of criminal offences for dishonest or reckless breaches of statutory duties; and
- banning orders preventing union officials who continue to breach the law, including court orders, from holding office."

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