

Royal Commission into trade union governance and corruption

Joint Media Release

The Hon Tony Abbott MP, Prime Minister
Senator the Hon Eric Abetz, Minister for Employment
Senator the Hon George Brandis QC, Attorney-General

Monday 10 February 2014

I will be recommending to the Governor-General, Her Excellency Ms Quentin Bryce AC CVO, the establishment of a Royal Commission to inquire into alleged financial irregularities associated with the affairs of trade unions.

It will inquire into the activities relating to 'slush funds' and other similar funds and entities established by, or related to, the affairs of these organisations.

This will not be an inquiry into trade unionism or the day to day activities of honest trade union officials.

Instead, it will address increasing concern arising from a wide range of revelations and allegations involving officials of unions establishing and benefiting from funds which have been set up for purposes which are often unknown and frequently unrelated to the needs of their members.

We don't want honest workers to be ripped off by dishonest union bosses. Before the election the Coalition promised to establish a judicial inquiry into the Australian Workers' Union slush fund scandal. This announcement honours that promise.

A number of similar allegations have also been raised in relation to many other funds established by officials of other unions. These strongly indicate there are systemic issues involving secret funds, commissions and kickbacks that need to be considered.

In addition, recent allegations of corrupt behaviour, unlawful kickbacks and standover tactics in the construction industry have made it clear that there is a need for serious scrutiny of allegedly corrupt conduct, wherever it may occur.

As a result, the terms of reference are not limited to any particular organisations, particular allegations or particular industries. The inquiry will be able to go wherever the evidence leads it. This means that union officials, employers and any other persons who are involved in such conduct will be subject to equal scrutiny.

In order to make this a truly national inquiry, I also intend to ask each of the State Premiers to arrange for their State to issue letters patent in the same terms to confer equivalent State commissions on the Royal Commissioner.

The Government will submit the proposed terms of reference to Her Excellency at the next available opportunity, pursuant to the *Royal Commissions Act 1902*.

The Government will also recommend that The Honourable John Dyson Heydon AC QC be appointed as Commissioner to lead this inquiry. A former High Court Judge, His Honour has a distinguished legal career and I am pleased to confirm his willingness to accept this appointment.

The Attorney-General and the Minister for Employment will co-ordinate any Government work associated with this inquiry.