



MASTER BUILDERS
A U S T R A L I A

SAFE & PRODUCTIVE WORKPLACES

**Key changes to boost jobs, drive productivity and
enhance safety on building and construction sites**

MASTER BUILDERS AUSTRALIA 2025

INTRODUCTION

The building and construction industry is central to solving Australia's housing crisis with the residential, commercial and civil construction sectors all playing a role to build the communities Australians need.

Safe and productive building and construction workplaces are crucial to achieving this goal, the future of Australian jobs and our economy.

There are over 1.3 million people directly employed in the Australian building and construction industry – that is almost 1 out of every 10 workers in the entire domestic workforce.

Building and construction is home to over 260,000 independent contractors and self-employed tradies, supported by over 450,000 businesses, of which almost 99 per cent are small and medium enterprises (SMEs). Our biggest challenge is that we are going to need more workers – an extra 300,000 skilled people over the next five years – in addition to replacing those leaving due to normal industry turnover.

This is why we are committed to delivering safe and productive workplaces.



1.3+ million workers
#2 provider
full-time jobs in
the Australian
economy



450,000+
businesses
98.6% SMEs



260,000
independent
contractors and
self-employed
tradies



11% of GDP
#5 sector in
economy



47% of trades-
based apprentices
114,000 apprentices
and trainees



\$290+ billion
building work
every year

We want workers to be safe and for our workplaces to operate just like those in other industries.

We want worksites to be productive, lawful, and harmonious.

We want to provide stable, rewarding, and secure jobs to even more Australians.

However, there are big challenges to overcome.

Everybody knows the building and construction industry faces a range of challenges and issues that must be fixed if we are to have any chance of achieving these aims.

Because of the way building and construction work is programmed and phased, it is uniquely susceptible to disruption and delay pressures. It continues to have a culture of industrial disputation and unlawful behaviour disproportionate to other sectors. Our productivity is falling (down 18 per cent over the decade), red tape is getting worse, costs are going up, build times are blowing out, and too many people suffer workplace illness or injury – just to name a few.

Productivity is more than an economic buzzword. Every day we drag our heels on tackling the challenges faced in the industry, the longer we drag out the housing crisis.

Tackling challenges like these won't be easy and will take time to ensure we get it right.

But with determination and resolve, the next Federal Government can begin the process to drive genuine, tangible, and lasting positive changes to support building and construction workplaces.

A strong and flexible industrial relations system underpins a competitive, modern, and productive economy. An approach grounded in common sense is imperative, emphasising quality over the sheer volume of legislation and regulation, so we have builders and tradies out of the back office and on the tools.



7 in 10 Australians believe the Federal Government has not done enough to address the housing crisis.
– Insightfully,
November 2024

UNIONS

Everyone in building and construction recognises the important role that unions play in workplaces.

They are an integral part of the industrial relations system and workers deserve to be represented by organisations and individuals that focus on looking after their workplace needs and acting in their best interests.

While the vast majority of unions in Australia seem able to do this in compliance with the law, the experience in building and construction is different. Everybody knows the record, reputation, and culture of the CFMEU in building and construction and how they operate.

One Federal Court Judge said this record was “notorious” and “that record ought to be an embarrassment to the trade union movement.”

Workers in building and construction deserve to have a union that operates like other unions. They deserve to be represented lawfully and honestly. And the entire trade union movement deserves a construction union that isn’t “an embarrassment.”

1. Recognise and support the needs of small business

Over 98 per cent of businesses in the building and construction industry are SME's, many of whom are specialist services and trades subcontractors.

Small businesses are the backbone of our industry, but the workplace relations framework has become more complex, confusing, and costly for them. Although more complexity is a boon for lawyers, mum-and-dad businesses are left behind and must incur considerable time and cost to receive advice. Small business employers don't have in-house HR or IR teams and are left to navigate an increasingly complex labyrinth on their own.

To fix this, the next Federal Government must:

- amend the Fair Work Act to clarify that subcontractors in the building and construction industry are not unfairly captured by the recent changes to 'Same Job, Same Pay' provisions;
- recognise the need for small business and workers who want flexibility and review the current laws and award restrictions inhibiting this;
- insert into Division 2 of the Fair Work Act ('Objects of the Act') the explicit goal of 'reducing the complexity and regulatory burden of workplace relations regulation on the largest private sector employer in Australia: small business';

- mandate a dedicated Small Business Impact Statement as part of the process to assess impact of changes to workplace laws, with realistic assumptions when introducing new legislation or changes to current legislation;
- repeal the confusing and uncertain changes to the definition of 'casual' made by the Closing Loopholes laws; exempt small business from the casual conversion process; and give small business the operational flexibility of engaging casual employees on a regular or semi-regular shift pattern basis if agreed, in writing, by both parties; and
- establish a Small Business Triage service within the Fair Work Commission to assess and potentially dismiss frivolous and vexatious complaints, protecting small businesses from excessive costs and processes.

69% of Aussies say the Federal Government needs to simplify industrial relations laws so they work for small business to fix the housing crisis.
- Insightfully, November 2024



2. Implement the *Breaking 'Building Bad'* report and recommendations

The responses of various levels of Government to allegations of criminality and other forms of misconduct by the CFMEU have been welcomed by industry and represent a good first step towards achieving improved outcomes for the building and construction industry.



84% of Aussies say the Federal Government needs to introduce new laws to combat illegal behaviour in construction unions to fix the housing crisis.
– Insightfully,
November 2024

Placing the CFMEU under administration is a strong first step towards achieving positive change in the industry and tackling the poor culture promoted by some that allows corruption and criminality to flourish. However, there is much more to be done to ensure actions taken are efficient, effective and deliver real outcomes.

The administration process must be given time to succeed. However, history shows that unless permanent and lasting changes to the law are made, there is a very real risk that the sector will just return to the same old bad days sooner rather than later.

Now is the time for governments of all levels to build upon the measures recently announced, avoid repeating the mistakes of the past, and take a comprehensive approach to make permanent change that delivers comprehensive solutions to solve the long-standing problems faced by the industry once and for all.

The next Federal Government should move to establish permanent special rules, laws and oversight for the building and construction industry in an effort to improve compliance, tackle poor culture, and stamp out criminality and corruption once and for all.

This will require two core elements:

- **A strong industry specific regulator**

Government should establish a Construction Industry Compliance & Corruption Agency (CICCA) as an independent statutory agency dedicated to the building and construction industry. The purpose of the CICCA would be to oversee, investigate and enforce compliance with a range of industry specific rules, laws and obligations that would be applicable only to the building and construction sector and participants therein.

- **Special industry specific laws, applied equally, strictly enforced**

Government should move to permanently change a range of existing laws to create rules, regulations, and obligations specific to the building and construction industry and its participants. Recent events show that the current laws do not work for the building and construction industry, and we need special rules to tackle these problems once and for all.

For more detail on these proposals, see the [Breaking 'Building Bad'](#) report and recommendations.

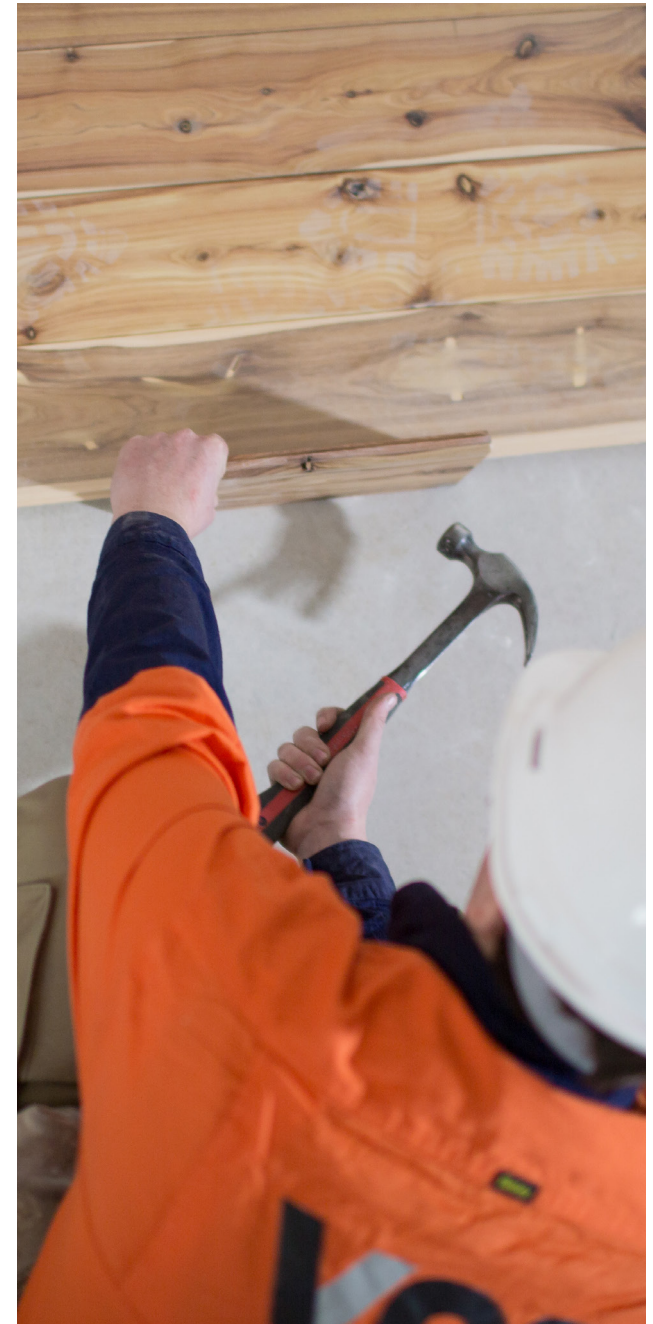
3. Preserve and enhance the rights of independent contractors and self-employed tradies

Recent changes to the Fair Work laws have attacked the rights of everyone to be their own boss and work for themselves. Because of this, the long-standing and lawful concept of independent contracting is under serious threat.

These changes have put at risk the ongoing viability of some 260,000+ self-employed tradies and independent small business contractors in the building and construction industry. Independent contractors now face several distinct new hurdles and barriers that undermine or unfairly challenge their decision to work for themselves and choose where they work.

This has damaged the freedom to choose work as an independent contractor and give people the flexibility and freedom to choose the hours they work, the projects they work, who they work for and negotiate their own fees and conditions.

The next Federal Government must stand up for the rights of self-employed tradies, independent contractors, and the right for people to choose to be their own boss. To achieve this, the next Federal Government should repeal changes that undermine independent contracting made by the “Closing Loopholes No.2” Bill 2023 and restore the previous common law approach to defining an ‘independent contractor’.



4. Simplify safety rules to improve WHS outcomes

Safety is crucial on building and construction sites, and everybody knows we need strong and effective rules to keep all workplaces safe.

Workplace Health and Safety (WHS) laws are becoming increasingly complex, confusing, and impractical. There is too much focus on paperwork and ticking boxes and not enough attention on giving workplaces the tools they need to make practical and tangible improvements on the ground.

To achieve this, the next Federal Government should ensure that WHS laws:

- promote good culture and safety practices, and avoid creating obligations that create red tape and take the focus away from practical and tangible improvements on the ground;
- are harmonised and nationally consistent as far as possible, as intended by the Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety, which will drive improved compliance levels and boost better overall safety outcomes;

- are practical for industry and deliver real and tangible improvements on-site, by consulting with industry before making changes and ensuring things like Codes and Standards are clear, concise, and easy to understand; and
- are underpinned by and drive the notion that safety is everybody's responsibility.

In addition, to avoid the misuse of WHS safety laws for other purposes, the next Federal Government should make changes to the *Work Health and Safety Act 2011* and equivalent state laws to:

- make it an offence for officials or delegates to exploit or abuse workplace safety rights for non-safety purposes;
- repeal and replace right of entry provisions in the *Work Health and Safety Act 2011* and the equivalent provisions of the equivalent State Acts new provisions which provide that prior written notice of entry is to be provided except where the permit holder has a reasonable concern that (a) there has been or is contravention of the Act and (b) that contravention gives rise to a 'serious risk to the health or safety of a person emanating from an immediate or imminent exposure to a hazard';
- make it clear that the burden of proving that a permit holder has a suspicion that is reasonable for the purposes of s 117(2) or a concern that is reasonable for the purposes of s 119A lies with the person asserting that fact;

- require that permit holders exercising rights under safety laws must leave a site within a reasonable time if requested to do so by an inspector who is on the site;
- require that right of entry to worksites on safety grounds can only be exercised by persons holding a valid right of entry permit; and
- ensure persons seeking entry on safety grounds are subject to the 'three strikes' rule.



77% of Aussies say the Federal Government needs to cut red tape and unnecessary regulations to fix the housing crisis.
– Insightfully,
November 2024



5. Adopt workplace bargaining laws that are simple, effective, and work for all workplaces

Workplace bargaining is a key way that businesses and employers can agree on workplace arrangements that suit their specific needs, driving higher productivity and better wages and conditions.

Current bargaining laws are too complex and do not do enough to foster genuine bargaining in a way that provides practical support to help workers and businesses quickly and effectively put in place arrangements without ineffective red tape and lengthy delays.

The next Federal Government must adopt better rules to support genuine and productive workplace bargaining for building and construction workplaces, including:

- Requiring the Fair Work Commission (FWC) to adopt a more comprehensive and inquisitorial approach to ensuring that enterprise agreements made in building and construction are in fact genuinely agreed;
- Ensuring enterprise agreements in building and construction do not contain any provision that restricts the free choice of individual workers covered by the agreement, restrains or prevents the exercise of managerial discretion, or otherwise requires consent or agreement of a building industry organisation or official;
- Removing unnecessary hurdles in the enterprise agreement making process that delay agreements that have strong employee support; and
- Repealing provisions that force employers into negotiations even when there is no genuine workplace demand for a new agreement, which undermines genuine and productive bargaining and incurs unnecessary cost.

For more detail on these proposals, see the [Breaking 'Building Bad'](#) report and recommendations.

6. Preserve and enhance the rights of workers and employers

Unions and third parties have been given too many rights to interfere in workplaces and inject themselves into the affairs of workers and employers against their collective wishes. This creates risk and uncertainty for workplaces and such interference increasingly creates additional cost to business which is often unforeseeable. For building and construction workplaces, this is particularly problematic and adversely affects their capacity to deliver projects on time and on budget.

To address this, the next Federal Government must:

- preserve freedom of association laws and avoid any change that gives unions more say or more rights than ordinary everyday workers;
- preserve and enhance the rights of employers and managers to make business decisions, and minimise the capacity for third parties to unreasonably interfere in workplaces;
- create new offences that make it illegal to adopt, encourage or organise practices such as 'no ticket, no start' or unlawful workplace picketing; and
- repeal the union delegates rights provisions made by the "Closing Loopholes No.2" Bill 2023 that unfairly gives delegates greater rights and protections than everyday workers.





7. Create a balanced and sensible system of 'Right of Entry' laws and stronger duties for unions and their officials

Unions in the building and construction industry have a long track record of breaking right of entry rules. The data shows that building unions are 48 times more likely to break right of entry rules than any other union and are responsible for well over 90 per cent of all breaches of entry laws found by the Federal Court.

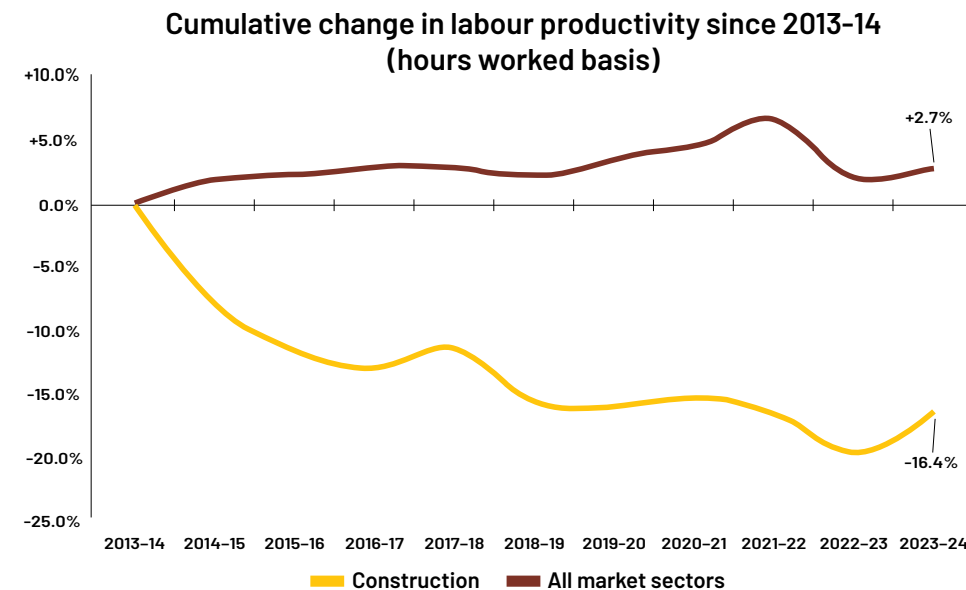
As Federal Court Justice Tracey said, "The record indicates an attitude of indifference by the CFMEU to compliance with the requirements of the legislation regarding the exercise of rights of entry."

To address this, the next Federal Government should introduce stronger duties for unions and their officials, such as:

- a stronger fit and proper person test for officers, officials, and employees of registered organisations of employees in the building and construction industry, including any workplace delegates;
- tighter disqualification of officials for breaching workplace or industry-specific laws;
- the availability of bans on those disqualified from holding or standing for office in a union, or from holding a future right of entry permit; and
- stronger laws to ensure right of entry powers are exercised in a proper and appropriate manner, and not exploited for non-industrial purposes, and to ensure right of entry permits are only available to those who satisfy the stronger 'fit and proper person' test.

8. Effectively tackle conduct that hurts workplace productivity

Everybody knows that workplace productivity in the building and construction industry has gone backwards over the last decade. Much of this reduction is caused by conduct of unions and tactics designed to impose the adoption of one size fits all pattern agreements.



Source: Master Builders Australia analysis of ABS Estimates of Industry Multifactor Productivity 2023-24

To address this, the next Federal Government must introduce a range of new and clear offences in workplace laws to specifically target and eliminate specific workplace practices that hurts workplace productivity, including for example laws that ban:

- action, threats or conduct designed to pressure participants to use, or not use, particular subcontractors;
- threats or taking illegal stoppages;
- making agreements, understandings or arrangements with unions that circumvent default workplace laws regarding dispute resolution, entry, work stoppages or election of worker representatives;
- engaging in any behaviour to pressure workplaces into accepting union pattern agreements;

- engaging in any behaviour, conduct, arrangement, or tactic designed to circumvent or override the effect of industry specific laws preventing the inclusion of certain clauses in building and construction enterprise agreements; or
- any provision in an enterprise agreement which has the effect of undermining or stifling any EBA term designed to enhance, encourage or improve workplace productivity.

87% of Aussies say the Federal Government needs to enforce existing laws to hold bad industry players to account to fix the housing crisis.
 - Insightfully, November 2024





MASTER BUILDERS
A U S T R A L I A

Published by

Master Builders Australia Ltd
PO Box 7170, Yarralumla ACT 2600

02 6202 8888

enquiries@masterbuilders.com.au

www.masterbuilders.com.au

© Master Builders Australia 2025

Content licensed for use under a Creative Commons Licence BY 4.0, except for all photography and quotes in this document, in which the copyright is owned by or has been licensed to Master Builders Australia Ltd and may not be reproduced without permission.

