

INFRASTRUCTURE

“Conference commends the Federal Government on prioritising the key area of infrastructure investment. Conference condemns the lack of credible policy initiatives or action in this vital field by the previous Government.

The CFMEU reiterates as vital, the role of Government, business and unions in contributing to this policy area. The CFMEU believes that unions should and must be represented on the new statutory body, Infrastructure Australia.

Conference believes the Federal and State Governments should primarily finance more infrastructure development through public borrowings. In line with the ACTU, we support the generation of a market for Government bonds linked directly to infrastructure financing.

Recognizing the political reality of promises made by Federal Labor prior to the election, Conference notes that large scale debt financing is unlikely to be taken up by the new government. Therefore, there is a role for appropriately structured private finance models such as Public Private Partnerships (PPPs). The key to their use in appropriate circumstances revolves around the principles of; transparency, value for money for the taxpayer, consistency and coordination. We must be prepared to oppose and fight against proposals where private financing for infrastructure projects privatizes profit and socializes risk.

In relation to PPPs, the CFMEU’s principal concerns are:

- The cost and risk to governments and taxpayers;*
- The implications for provision of quality public services and public sector employment;*
- Lack of transparency in commercial agreements.*

Where our concerns are adequately dealt with, including the removal of the obnoxious elements of the National Construction Code, the CFMEU will advocate a longer term perspective supporting industry super funds in an increased asset allocation to domestic infrastructure investment.

Further, all new infrastructure should be constructed under a project agreement negotiated with appropriate unions and containing good wages and conditions for the workers involved.”