



Speech By
Hon. Samuel O'Connor
MEMBER FOR BONNEY

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MATTERS OF PUBLIC INTEREST

Building and Construction Industry

 **Hon. ST O'CONNOR** (Bonney—LNP) (Minister for Housing and Public Works and Minister for Youth) (2.30 pm): After a decade of decline, the Crisafulli government has taken decisive action to restore productivity, fairness and value for money in Queensland's building and construction industry. One of the very first things we did upon our election was to pause BPICs and now we have ended the CFMEU's tax on Queenslanders for good. BPICs pushed up prices, they slowed down projects and they locked out more than 99 per cent of local subcontractors from government work. They were not best practice. They were CFMEU written and authorised tools to smash productivity and punish those who did not conform. Do not take my word for it. The independent Queensland Productivity Commission has found that BPICs blew out project costs by more than \$17 billion. Since 2018, the Productivity Commission has found that productivity losses under Labor meant 77,000 fewer homes were built at a time when Queenslanders needed housing more than ever. If BPICs had remained in place over the next five years, it would have cost Queensland taxpayers more than \$20.6 billion with project costs increasing by up to 25 per cent, 26,500 additional fewer homes would be built and rents would rise 8.3 per cent higher than they otherwise would.

The CEO of the Queensland Major Contractors Association, Andrew Chapman, recently highlighted independent analysis showing productivity on Queensland job sites had plunged to the lowest levels in the nation, with major contractors reporting productivity at less than 60 per cent under BPICs. Since BPICs were paused, I am pleased to advise the House that productivity has already lifted up to around 85 per cent.

We scrapped BPICs because Queenslanders need homes, not CFMEU-designed cost explosions and productivity declines. We ended BPICs because the construction industry should be open to every capable—

Ms Grace interjected.

Mr O'CONNOR: There we go, the CFMEU's cheerleader, the member for McConnel—I am not taking your interjections. We ended BPICs because the construction industry should be open to every capable Queensland business, not just the CFMEU's chosen few. On top of that, we have rebuilt government procurement from the ground up. Our new approach welcomes back locals, small businesses and regional contractors. It prioritises opportunities for female-led enterprises, Indigenous businesses and veteran-owned businesses. Queensland now has a procurement system that is simpler, fairer, more transparent and one that puts Queenslanders first. We are going to incentivise good suppliers, not punish who the unions tell us to punish.

The contrast with the former Labor government could not be clearer. While we are restoring productivity and delivering better value for taxpayers, Labor is already leaving the door open to bringing back BPICs. Just last week, when asked directly, the opposition leader's spokesman refused to rule out

reinstating BPICs if Labor were re-elected. They said, 'Labor would be closely watching the changes made by the government and evaluating them before taking a comprehensive range of commitments to the next election.' They have not ruled out bringing back BPICs.

Let me be absolutely clear: BPICs were negotiated to entrench CFMEU conditions. Treasury warned they would increase project costs by up to 25 per cent and yet Labor still will not rule out bringing them back. Their refusal to rule out reviving the very policy that helped create this productivity crisis shows that the Queensland Labor opposition are still siding with the CFMEU over Queenslanders. If they bring back BPICs, costs will go up, productivity will go backwards and Queenslanders will pay the price all over again.

Queenslanders are now seeing the full extent of CFMEU behaviour exposed before the inquiry the Crisafulli government has started. Across Australia, we have seen allegations of intimidation, lawlessness, corruption and systemic misconduct, and here in Queensland the CFMEU operated with impunity under Labor—financially, politically and industrially protected. They even put a CFMEU member on the board of Queensland's building regulator, the QBCC.

The inquiry into the CFMEU is long overdue, and on day one we have heard shocking evidence with a lot more to come. Queenslanders cannot afford a return to BPICs. They cannot afford to return to a CFMEU-designed construction system. It is why we are in this housing crisis. The Crisafulli government is turning things around.