

Master Builders finds building costs with CFMEU increase 30 per cent | The Courier Mail

10/3/21

ANTAGONISTIC unionists are adding at least \$85,000 to the cost of a mortgage on an inner-city apartment.

Analysis by *The Sunday Mail* exposes the real impact on would-be homeowners from the stranglehold by the Construction, Forestry, Mining and Energy Union on the high-rise unit building sector.

It comes as a subcontractor reveals he is now excluded from up to 70 per cent of jobs he would tender for because big builders are afraid to engage non-union "subbies".

"They are f---ing evil, mate. No other way to describe it," the second-generation businessman said.

"They are trying to control the industry and they are having some success."

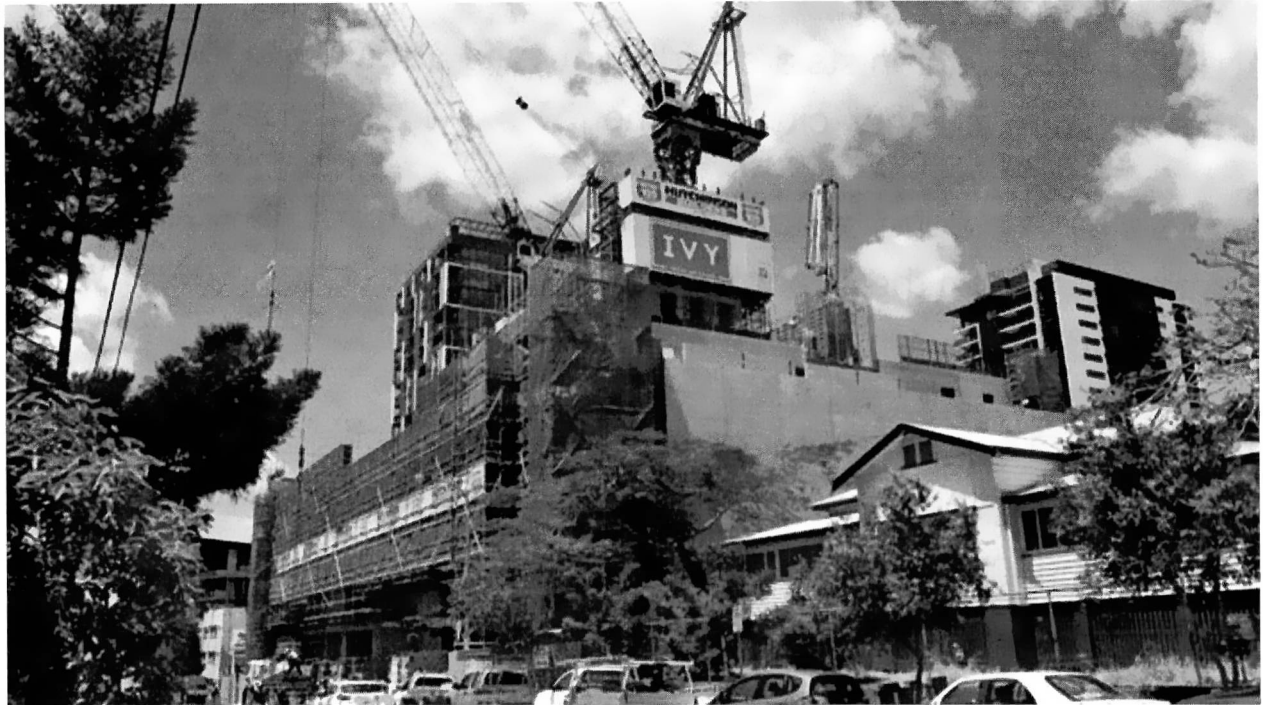
Research earlier this year by peak body Master Builders Queensland found building costs increased by up to 30 per cent if the CFMEU was involved in a project – the result of high wages combined with the cost of strikes and delays.

It cited the example of an apartment that cost \$270,000 in a non-union project but \$330,000 in a building where CFMEU labour worked.

But the flow-on effect is that people buying the union-related apartment would need to save an additional \$12,000 for a 20 per

cent deposit.

Monthly repayments would increase from \$1115 to \$1360 even at today's record low 3.7 per cent interest rates. And the total additional cost over a 25-year mortgage would be a whopping \$85,604.



Apartments under construction in South Brisbane.

"This issue is often seen as an ideological battle between the Federal Government and the CFMEU but the practical reality is that it makes it harder for people to achieve homeownership," a senior property industry source said.

"The real victims here are young people trying to get into the property market, or empty-nesters wanting to downsize into an apartment to stretch their superannuation further into retirement."

The Sunday Mail last week reported the additional costs from inflated pay rates and work stoppages by the CFMEU were robbing at least 1700 Queenslanders of jobs.

The union has rejected the figures, saying the original report into

construction costs by Deloitte Access Economics was commissioned by Master Builders and "dismissed as flawed and unreliable by every economist who has analysed them".

The regulator, Fair Work Building and Construction, has been forced to use interstate lawyers to cope with the surge in allegedly unlawful industrial action in Queensland by the CFMEU, much of it in retaliation at the use of non-union subcontract labour.

A subcontractor this week told *The Sunday Mail* he refused to renew an EBA with the CFMEU because of "unreasonable" interference. He said his firm was immediately black-listed by several major building contractors.

Business Daily Newsletter

Hi Jon, get trusted business news delivered direct to your inbox.

More related stories



Business

Financial planning firm in dispute over payments




Business

'You might as well give up' if you can't make steel, says senator

Good Afternoon Jon

Recommended based on what you've read

Queensland Legislative Assembly	
Number:	57217296
	10 MAR 2021
MP:	Mr Krause
Clerk's Signature:	
Tabled	<input checked="" type="checkbox"/>
By Leave	<input type="checkbox"/>