

INTRODUCTION

1. ~~Something has gone wrong with the CFMEU during the John Setka era. Before Setka~~

~~1. Something has gone wrong with~~ the CFMEU. ~~The old CFMEU~~ was a great trade union – yes it was militant, but always lawful, and its only objective was the best interests of its members. The ~~old~~ pre-Setka CFMEU brought about great change – not just in the industrial sphere, but in society in general. The old CFMEU was the founder of superannuation for working class Australians. The old CFMEU was the principal proponent for the creation of the living wage. At the time these ideas were thought radical; now they are accepted as fundamental features of a fairer Australian society.

~~2-~~ 2. But from those great heights the CFMEU in Victoria ~~has~~ collapsed into a squalid mess.

It ~~has~~ slid from being a union which fought hard for workers to one which ~~starts~~ started a fight just for the sake of it. It ~~has~~ devolved from being a union which honoured the dignity of working Australians to a union which ~~cultivates~~ cultivated the company of underworld figures. It ~~has~~ deteriorated from being progressive, tolerant and respectful, into a violent, hateful, greedy rabble. It ~~has~~ degenerated from being a union where people were respected for their honesty and decency to one where a good person, a decent person who ~~speaks~~ spoke out against corruption ~~is immediately, was shouted down and~~ told they ~~are~~ were a “dog,” or a “rat”, or even a “cunt”.

~~3-~~ 3. The cause of the collapse of the CFMEU was not from within, it came from the top.

~~4-~~ 4. If you wish to know what ~~has gone~~ went wrong with the CFMEU then you need to look no further than its leadership over the last 20 years. The CFMEU ~~has been~~ was pushed in the wrong direction.

~~5-~~ 5. The previous style of CFMEU leadership is typified by this email recently sent by ~~John~~ Setka in response to a request by the Administration to produce some information about how members’ money had been spent:

Go ~~fuckyourself~~ fuck yourself Irving and fuck keogh, you fuckin dogs have endangered my life with all your leaks to the media, and I will come into the office whenever I want, you have leaked my personal information to the media and put my life in grave danger and caused me all sorts of grief, I’m not a ALP stooge like you two cunts so along with all the other fuckers like Flinn, so go fuck your mothers with McKenzie and while you’re fucking them get your noses out of albos ass, and tell ~~████████████████████~~ ████████████████████ on the unions money, and stop leaking my confidential information to the media and endangering my life and that of my family, one more leak you dogs and I’ll fix it myself, so do everyone a favour and go and knock yourselves.

6. ~~This is a report into what went wrong in the CFMEU during the Setka era. That era started around the time of Setka’s election as Secretary in 2012. It ended~~

~~6. And yet, even today, there remains a substantial number of CFMEU organisers and delegates who want to see this man returned as their leader.~~

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on 23 August 2024 on the appointment of the Administrator. As a result of the Administration, those who are identified in this report the leaders of the CFMEU were removed from office. Over the life of the Administration their influence over the Branch has slowly waned and, in the case of many of the former leaders, been completely extinguished.

~~7. I repeat — something has gone wrong with the CFMEU.~~

7. Change trickled down. The next level of leadership within the union, the organisers, have in many cases been removed over the course of the Administration. None of the organisers identified negatively in this report are currently employed by the Administration. Since August 2024 over 50% of the employees of the Victorian Branch have ended their employment with the Union or had it ended for them.

8. The John Setka era is over. It is incapable of resurrection. The Administrator is considering steps to discipline Setka under the CFMEU rules. That might include expulsion, which would make Setka ineligible to stand for any union office. Further, as a removed person under the Fair Work (Registered Organisation) Act 2009, Setka can only stand for office if the Fair Work Commission was satisfied that he was a fit and proper person. In light of what will be revealed in this report it is unlikely that the Commission would arrive at that view.

~~8-9.~~ Conducting this investigation has been a challenging experience for me. As a lifelong believer in trade unions, it ~~has been~~was shocking to see so much crime, so much corruption, such a perversion of values. The CFMEU was no longer on the right side of civil society, it ~~is~~was proudly on the wrong side. The Union was no longer the champion of the working class – the Setka era CFMEU ~~has~~ turned to looking after gangsters, standover men, bikies, heroin traffickers, and even killers.

~~9-10.~~ By the end of this investigation I have been left with the empty feeling that the Setka-led Victorian branch of the CFMEU ~~is~~was no longer a trade union, it ~~is~~was a crime syndicate.

~~10-11.~~ This ~~is~~was a uniquely Victorian problem. Preparing various reports has provided an opportunity to get a feel for the different operations in the different States and to compare the problems faced in each. It is quite clear that the problems in Victoria ~~are~~were exponentially worse and far more dangerous than elsewhere.

~~11. The Administration has worked hard to stem the crime and corruption; this has been successful in other States. But in Victoria it is different. There is resistance to authority, resistance to change. Many of the officials of the Victorian branch continue to refuse to obey straightforward directions to terminate their corrupt connexions. The influence of the corrupting characters remains. Corrupt practices continue. There is presently no sign that things will improve.~~

~~12. The Victorian branch remains intractably corrupt.~~

~~13-12.~~ Something must had to change. ~~It must change now.~~ For effective change to occur the power and influence of these malignant characters who have dragged down the CFMEU must had to be broken. The problem is that their power and influence ~~is~~was strong, deeply-rooted, and widespread. The only way to break that influence ~~effectively is~~was to smash it. ~~Change will require axing a large proportion of the existing officials and also parts of the administrative staff. It will require a reworking of many of the Union's practices.~~ The action ~~should~~had to be swift and sharp and severe – in effect, it had to be a regime change.