

## **ABC Commissioner Stephen McBurney**

### **Opening Statement - Wednesday 2 June 2021**

Thank you Chair

Representing the ABCC with me today are Deputy Commissioners Jill Jepson, Matt Kelleher and Cliff Pettit, and our National Manager Building Code Janine Drennan.

Since our last appearance at Senate Estimates, there has been publication of two sanctions issued by the responsible Minister under the Building Code 2016.

The first sanction concerns Queensland construction company MCP (Aus) Pty Ltd. The sanction arises from a workplace accident at the Toowoomba Second Range Crossing Project. A concrete pump truck with a 60-metre boom had been incorrectly set up resulting in the boom overbalancing and the crane tipping over.

MCP pleaded guilty in the Toowoomba Magistrates' Court for failing to comply with its health and safety duty under the Work Health and Safety Act 2011 (Qld). MCP was ordered to pay a fine of \$50,000 along with costs.

Following that court outcome, I referred the matter to the Minister. The Minister for Industrial Relations has imposed an exclusion sanction of one month which prevents MCP from tendering for Australian Government funded work for the relevant period.

The second sanction concerns Queensland based building company Intelligent Infrastructure Solutions Pty Ltd, also known as i2 Solutions.

The company, which went into voluntary receivership on 1 June 2020 had been operating in Queensland, NSW and Victoria on large road infrastructure projects.

In 2019 and early 2020, i2 Solutions failed to pay a number of its subcontractors on time, or at all, on the M4 Smart Motorway project in NSW and the Logan Enhancement Project in Queensland.

Security of payment breaches by i2 Solutions included:

- failure to make payments totalling \$1,196,416 on time to different subcontractors
- failure to pay a subcontractor \$127,026, determined by an adjudicator
- failure to pay one subcontractor claims totalling \$39,349
- intimidating and threatening behaviour during an adjudication process with a subcontractor.

As a result of my referral, the Minister imposed a sanction by way of a formal warning, this being the only sanction available given the company was in administration.

I welcome the Committee's questions on the Code sanctions and any other matters.