

Wednesday, March 6, 2013

## ACTU Executive welcomes recommendations of independent report on union governance

The ACTU Executive today received the final report from the independent and expert panel appointed to conduct a review into union governance and best practice.

The report details recommendations for unions in developing best practice governance and management processes and is a result of an ACTU Congress Resolution May, 2012 which called for an external and independent review into union structures, operations, controls and procedures and best practice governance standards for unions.

The review panel members were:

- Hon. Rod Madgwick QC, former Justice of the Federal Court.
- Professor Danny Samson, Department of Management, University of Melbourne, and former Head of the Department of Management in the Faculty of Economics and Commerce.
- Judith Bornstein, lawyer and former Commissioner of the Industrial Relations Commission of Victoria.
- Graeme Russell, Chief Executive Officer of the First Super Fund, former independent director of JUST Super, CFO of STA Travel and experience in both commercial and business development at Monash and Melbourne Universities.

ACTU Secretary, Dave Oliver welcomed the report today, and said the ACTU Executive, was pleased to receive the panel's recommendations.

"I want to thank the panel for their hard work and commitment to this project. They are all people of great experience and gravitas, and they applied themselves to this job with vigour," Mr Oliver said.

"They have delivered an independent report that all unions will be keen to embrace.

"The Union movement takes very seriously any allegation or accusation that our members' hard-earned money is not being managed properly, and that is why we asked for an external and independent review of our practices.

"The union movement should feel proud of this report as well as challenged to do better.

"The expert and independent panel found that, while the allegations against Craig Thomson and Michael Williamson were extremely regrettable, this behaviour is not typical of unions, and it was unfair that attempts have been made to tar the rest of the union movement with the same brush.

"The report covers areas of financial oversight and planning, policies and procedures, reporting and transparency, employment and remuneration policies, conflicts of interest, training, best practice and membership grievance procedures.

"For the ACTU, the key recommendations are that we will set up an implementation committee to lead and assist unions in improving their processes, and the establishment of a Governance Advisory Panel.

"We are pleased that the expert panel noted that many unions are well advanced in modern governance and management practices, and that the present legislation covering union rules is some of the most rigorous in the world.

"The panel says there is no justification for additional legislation to regulate unions in an identical manner to corporations.

The ACTU looks forward to assisting unions in implementing the broad recommendations."

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