

# STOP the SHAM

**CFMEU**  
CONSTRUCTION  
AND GENERAL



## How it Works

Workers are forced or conned into taking out an ABN number to operate as a contractor, even though they are working for only one employer.

This allows shonky employers to offer low, all-in rates of pay and avoid paying entitlements such as:

- Superannuation
- Holiday Pay and Loading
- Paid Public Holidays
- Sick Leave
- Long Service Leave
- Workers' Comp
- Fares and Travel Allowances
- And more.

In some cases, workers have been taken off wages and forced to take out an ABN or face the sack.

## What this means for workers

Think about it.

No sick leave, long service leave, or paid holidays means every day you don't work, you earn no money.

If your boss doesn't pay Super, you can end up with no pension.

If the boss doesn't pay Workers' Comp, who is going to cover you if you are injured at work?

**ILLEGAL SHAM CONTRACTING is a disease that will KILL good wages and conditions and future jobs for our kids!**



## \$\$ Billions lost in unpaid taxes

Sham Contracting creates a bottomless pit of unpaid tax. That rips off the economy, so there's less money to go around for schools, hospitals, roads.

It leaves Pay as You Go taxpayers carrying an unfair burden of tax.

If a worker is in reality an employee, it's illegal to operate as an ABN contractor and use the ABN tax system. Bosses who force workers on to ABNs are ripping everyone off.

## What needs to be done NOW!

- Stop contractors who are treating workers as Sham Contractors from working in construction.
- Ban Sham Contracting from Government-funded jobs immediately!
- Make principal contractors check their subbies: 100% of wages and entitlements should be paid to workers, before subbies get their next progress payment.

STOP the SCAM at source

- Banks and financiers must prove their corporate responsibility – no money for projects with Sham Contracting.
- Builders and developers must weed it out at tender stage – cheap tenders lead to Sham Contracting.
- Builders and developers must ban Sham Contracting from their jobs.

“Workers are being paid \$10-\$12 per hour. The Federal Government must act before construction sites become sweat shops.”

**Safety. Security. Support.**

1



# STOP the SHAM

Sham Contracting affects us all.  
It bleeds our economy dry and sends  
legitimate business to the wall!

We've all seen the small ads: "Tradie,  
labourer wanted .... Must have ABN  
and Ute."

You've heard the myths – "Workers on  
ABNs earn more, don't have to pay so  
much tax".

In fact, those workers and their families  
are losing out.

Construction workers on ABNs are  
being ripped off for thousands of dollars  
in unpaid entitlements.

Workers have no protection when they  
are sick; no wages when they want to  
take a holiday or need time off to look  
after family.

Families suffer if the breadwinner is  
injured at work and cannot get access  
to Workers' Compensation.

Legitimate construction employers are  
being undercut in tenders by contractors  
only prepared to pay low rates of pay.  
This creates a race to the bottom in  
wages and conditions that will eventually  
destroy the industry.

### Good wages, conditions, union EBAs – a future for our kids!

Construction workers have fought hard,  
and continue to fight, to civilise the  
industry, with union rates of pay and  
conditions, and proper safety on sites.

Sham Contracting threatens us all and  
our children's future. Decent, well paid  
jobs will be put in jeopardy, if this is not  
stopped.

**Join the fight to BAN SHAM  
CONTRACTING from Construction  
NOW!**

# SHAME THOSE WHO SHAM

## Let us know ...

If Sham Contracting  
affects you or someone  
you know, please contact  
your local CFMEU office:

**(02) 6267 1599**

## Your union is leading the fight ....



## If we don't fight, we lose!

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More info:  
[www.cfmeu.asn.au](http://www.cfmeu.asn.au)