

Grocon talks tough

Call to fine union \$1.5m

BUILDING giant Grocon has called for the militant construction union to be hit with a \$1.5 million fine after it pleaded guilty to a third round of contempt charges.

Lawyers for the company are also seeking more than \$400,000 in costs they say have been accrued pursuing the Supreme Court contempt charges stemming from the April blockade.

If hit with the heavy fine the CFMEU could be left more than \$7 million out of pocket after calls for the union to be hit with fines of \$5 million for other contempt charges brought following blockades in August last year that brought Melbourne to a standstill.

During a two-day penalty submissions hearing Michael McDonald, SC, for Grocon, told the court key union figures including secretary John Setka had been on notice when they acted in direct defiance of the court's orders.

Union members blocked supplies, bound for the Emporium site, from leaving the Cambar holding yard in Port Melbourne on April 26, the court heard.

The CFMEU also blocked supplies bound for Grocon's construction site at 150 Collins

SHANNON DEERY

St from leaving the yard of Hollow Core in Laverton on the same day.

"The union arrogantly asserted a right to determine what goods would enter and leave its sites," Mr McDonald said.

"The fact that a trade union is pursuing what it regards as a legitimate objective does not bestow on it some sort of cloak of immunity."

Peter Morrissey, SC, for the CFMEU, argued the proposed \$15 million penalty was out of proportion with what the court could lawfully impose.

The court heard the union had been fined \$325,000 since 2009 for breaching court orders. Mr Morrissey said a breach similar to the April contempt matter had attracted a \$75,000 fine.

He said if the fine was doubled it would act as an appropriate deterrent to the union.

But Mr McDonald said the previous fines had been seen by the union as "the cost of doing business".

"These penalties have not acted as a deterrent," he said.

Justice Anthony Cavanough reserved his decision.

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