

MASTER BUILDERS ACT

Transcript

Summary

Ian Meikle and Joe Prevedello interview with Anna Neelagama discussing the fallout of the Kingfisher Report, the Secure Local Jobs Code and building contract procurement.

- Channel: 2CC 1206 AM Canberra
- Program: Sunday Roast with Ian Meikle
- Date broadcast: Sunday 26 July 2026
- Time broadcast: 10:09am – 10:30am

Transcription

IAN MEIKLE: And we've got with us this morning Anna Neelagama, who is the CEO of the ACT Master Builders Association in the ACT in Canberra. And I'm curious to know, what are the lessons here, what's changed now we've got the two people identified, and we've got visibility on the procurement process that everybody can see it for what it is – what's changed? Are you optimistic about the future now?

ANNA NEELAGAMA: That's a difficult question. And good morning to you both, and good morning to your listeners.

I think what we would say with complete confidence is that the findings of Operation Kingfisher are totally diabolical. What we've seen is people in the two highest positions of power, notwithstanding the Minister, interfere with the procurement process – that's your money, that's how our money is spent – to select a provider that was more expensive with significant union interference, and I just think, there's 10 key recommendations in this report. They must be implemented as a first, next step. But I think we also need to be prepared – there

may be more instances, examples and other cases come out of the woodwork as a consequence.

IAN MEIKLE: That's the interesting thing – whether this is a one off, or whether this is a history of misappropriation through the procurement process. Were you surprised when you finally got hold of – see, I'll just slap it on the desk so you know how big it is, listeners. **[Ian throws report down on desk]** That's the Kingfisher landing. Were you surprised in anything you read there?

ANNA NEELAGAMA: I was not surprised, but I was saddened, because I think it backs up everything the industry has been saying about the function of the Secure Local Jobs Code, about procurement settings and about the dynamic of supporting true local businesses, small and middle-size businesses, versus other interstate or large multinational providers.

I'm also extremely sad and concerned for the builders that raised this in the first place. They've gone through a long and exhaustive process before the Integrity Commission, and it is very much a case of justice delayed is justice denied. It's taken too long to confirm what really in the report show some very clear facts – intervention, corruption, reprehensible conduct; that's the Integrity Commissioner's words, not mine. And I really feel sad for all those involved who had the courage to speak out, frankly.

IAN MEIKLE: Is it fair to say that the Manteena was not in this case the preferred choice of the CFMEU?

ANNA NEELAGAMA: That is what the report says –

IAN MEIKLE: That's the core of it, isn't it?

ANNA NEELAGAMA: – Up and down, and I think we've got to take it back to industrial relations or workplace relations 101. We've got a Secure Local Jobs Code here. In Queensland they got rid of their version of the Secure Local Jobs Code. It was called the BPIC [Best Practice Industry Conditions], and it–

IAN MEIKLE: What is it? A lot of listeners would be going, what's the Secure Local Jobs Code?

ANNA NEELAGAMA: So, it's a certification that you must have in order to deliver ACT government work. And in the instance of Kingfisher, the people involved said, you know, the preferred supplier wasn't compliant, and it was under the guise of the Secure Local Jobs Code that they raised the changes, effectively. And what we do know from Queensland, from investigations since made, is that's brought up construction costs, delivery of construction costs for government projects by about 25 per cent. So, the idea that all of this has delivered value for money for Territorians – that's our money, households' money, taxpayers' money – it's just a complete failure of that. It's so disappointing.

IAN MEIKLE: You've said earlier that this is what the industry has been saying for years. But you're saying it to deaf politicians. Do you think now that it's in black and white and there for everybody to see that there's a chance more politicians will start understanding your point of view?

ANNA NEELAGAMA: I absolutely hope so, I don't know how much more clearer or more serious it can get. A Deputy Chief Minister has had to resign. They're talking about a police investigation. But it shouldn't have come to this, because everyone wins if the preferred provider who's lower on cost and higher on quality wins and delivers projects. And I think about how this was within the Education Directorate. I'm sure the teachers would like a million dollars extra per year to spend on money for students.

IAN MEIKLE: Yes, that was foregone.

ANNA NEELAGAMA: This is no small thing.

IAN MEIKLE: So you can't build buildings without labour. Labour is organised in the ACT typically with the CFMEU. You can't go to war with them. How can you resolve this impasse where the union seems to have a commercial influence on the wellbeing of building companies?

ANNA NEELAGAMA: May I say the union movement has done important things for Australians.

IAN MEIKLE: Yes.

ANNA NEELAGAMA: And what the Master Builders has always said through the CFMEU administration is we recognise that important role. What we don't recognise is lawlessness, corruption, thuggery. And in the instance of Kingfisher, what you see is not the union being found guilty of misconduct but people that were so entrenched within the department doing their bidding for them. And it was the culture and the system that enabled this backdoor and, in particular, the Secure Local Jobs Code that enabled this whole thing to occur. So it's the system. And we've got to make sure, and we've got to hold the ACT government to account. We can't let them just say there is nothing to see here, it's all been fixed. It went on so long that the whole procurement system is fixed.

IAN MEIKLE: Well, I heard, not a very good interview, but I heard an interview with the Chief Minister on radio in which – not this station – in which he assured the questioner that the Kingfisher protocols that are highlighted here and the things that were wrong have been overcome, that they'd made amendments to the process in 2022 and again in 2024. So he was confident that we could not see a recurrence of what we see in the Kingfisher report. Is he right?

ANNA NEELAGAMA: I think the system is still lacking a lot. I don't think you could say with any confidence that he's right. There is a lot of work to do here. There are 10 recommendations in Kingfisher. The government, as of today, has agreed to implement zero of them. I'm sure they're still digesting the report. They need to rebuild their cabinet, obviously. But the idea that there is no further work to occur now they've managed the political fallout and a minister has gone is fundamentally incorrect.

IAN MEIKLE: So you're still – or the industry is still suspicious of the process?

ANNA NEELAGAMA: There is absolutely still more work to be done. And the review of the Secure Local Jobs Code is a central theme of all of this. We know in Queensland its counterpart drove up construction costs –

IAN MEIKLE: Yes.

ANNA NEELAGAMA: – by 25 per cent, but also review after review locally has shown that that code is simply not working. And I'll tell you something funny about the code. Everyone thinks it's about local economic development and championing true locals, right?

IAN MEIKLE: That's what it sounds like.

ANNA NEELAGAMA: That's what it sounds like. But it's actually just a certificate that you get to say, you know, "I'm a good employer and I'm a compliant employer." It does not require the procurement system to preference locals, and it does not require the procurement system to support companies that are supporting local workers. So it doesn't stop anyone from all over the country competing for government work and, in fact, winning it above locals.

IAN MEIKLE: Yeah.

ANNA NEELAGAMA: So is there more work to be done? Of course there is.

IAN MEIKLE: But it's been over five years since they started their investigation. We saw through the public hearings, we saw people being – Mr Green and others – being interviewed, being cross-examined. We've had all sorts of bits and pieces dripping out. One would imagine that over that period, good sense would prevail and the process would sharpen up. Your members have lived for five years still building things. Have they reported any improvement in the procurement process in that time?

ANNA NEELAGAMA: I think that would be difficult to sort of answer in a holistic way. Have there been improvements? I mean, of course there's always improvements. We've had new people come in. We've had the formation of iCBR.

IAN MEIKLE: Yes.

ANNA NEELAGAMA: But does that address every concern that we have in relation to Operation Kingfisher? Of course not. There are still 10 recommendations in that report, and government, as of today, have agreed to implement zero of them.

IAN MEIKLE: But the Chief Minister has apologised for the – to Manteena people, surely?

ANNA NEELAGAMA: I don't believe the Chief Minister has offered an apology to Manteena. He apologised to Canberrans. He said he felt for Yvette Berry and he pointed out rightly that

there's a lot of good public servants out there. But to date I don't think any builder has received an apology.

IAN MEIKLE: Okay.

JOE PREVEDELLO: We're joined by Anna Neelagama, who's the Chief Executive Officer of Master Builders, the Master Builders Association here in Canberra. We're talking about the Kingfisher report that claimed the scalp of Yvette Berry, the Deputy Chief Minister and Education Minister, during the week. We will take a break on the Sunday Roast. We'll come back and continue the conversation.

[Advertisement]

JOE PREVEDELLO: It's 22 minutes after 10 o'clock. This is the Sunday Roast with Joe Prevedello and Ian Meikle. We're joined in the studio by the Chief Executive of Master Builders ACT, Anna Neelagama. We're talking about the fallout of the Kingfisher report, which was handed down on the Thursday, or publicised on Thursday. By the afternoon the Education Minister and Deputy Chief Minister, Yvette Berry's scalp had been claimed. She resigned from the ACT cabinet. She remains in the ACT Assembly, however.

But, Anna, I think we've been talking about obviously the impact of the procurement system here on the building and construction industry. But I think this reinforces to the entire public in the ACT what the building sector has been feeling for a long time, in that there is really a crisis of confidence in the procurement process. They've now been caught out big time here. So it's only right that there is reform and change from this. And, I guess, let's talk a bit about that path going forward. You talked about the 10 recommendations initially, but beyond that there's got to be more, too.

ANNA NEELAGAMA: Absolutely. And I think we're still digesting the report and its many, many impacts. But I think crisis of confidence is the right way of putting it. But there's a few things that I think absolutely must occur. One, the Secure Local Jobs Code cannot have this function whereby people can use it to misdirect procurement and misspend the government funds. So it needs to go, or at the very, very least it needs to be independently reviewed so it's actually delivering value back to the Territory both for workers and local providers.

IAN MEIKLE: But are you advocating unions to step out of the procurement process?

ANNA NEELAGAMA: This report is very clear – there is no role for union or other stakeholders to interfere with how our government dollars are spent.

IAN MEIKLE: Yes.

ANNA NEELAGAMA: And nationally as a Master Builders movement we have been very clear through our Breaking Building Bad portfolio that the governments need to be brave at a state, territory and federal level and get unions out of procurement, government procurement. Because you take away money, you take away power. And with that you will see some real and lasting change. And we've been working on that ever since the CFMEU was put into administration. And so I think that's a huge finding out of Kingfisher. So, I hope that the ACT government pays attention to that because the optimist in me says, you know, we're one of the smallest jurisdictions; we should be the model jurisdiction. Like, we should be doing it the best, and it should work the best for constituents and taxpayers here. And I think the procurement system really needs to be geared back to small and medium-size businesses who contribute to the ACT economy, who employ people locally, who pay the highest payroll tax in the country. And we've got to be supporting that sector –

IAN MEIKLE: But are you saying we're not? Are you saying through this process of procurement it plays into the hands of interstate tenderers?

ANNA NEELAGAMA: Absolutely. Particularly in the case of the Secure Local Jobs Code. The compliance burden is high, right?

IAN MEIKLE: Yes.

ANNA NEELAGAMA: So if you're a bigger, larger interstate provider, you're far more well set up to have that certificate and compete for government work. And we frequently do see work going interstate as a consequence.

IAN MEIKLE: But that might be it offered better value for ACT taxpayers?

ANNA NEELAGAMA: Is that what Kingfisher said?

IAN MEIKLE: Yeah, it alluded to it.

ANNA NEELAGAMA: The person that provided the best value for the Territory by cost and quality –

IAN MEIKLE: No, that exercise was wrong. The committee, the procurement committee, had it right. They made the right call.

ANNA NEELAGAMA: Correct.

IAN MEIKLE: It was corrupted – lower case “c” – somewhere between the committee and the ultimate awarding of the tender, wasn’t it?

ANNA NEELAGAMA: Yes, that’s absolutely the case. And that’s why we’ve got to see real reform in the procurement system.

IAN MEIKLE: So, what I see here where you’re sitting, you’re calling for reform. You have 10 fairly straightforward demands that should be pretty simple to implement. You’ve never had a better chance. We’ve got a minority Labor government. You’ve got opportunities now to lobby right around that Assembly to get – try and get the numbers up to have these sorts of changes. I would argue that had it been this time last Assembly you would be whistling dixie.

ANNA NEELAGAMA: Completely stonewalled.

IAN MEIKLE: That, too.

JOE PREVEDELLO: Well, there’s definitely more opportunities now. I mean, every Assembly member really should be put on notice – not just the Labor Party. Independent members, the Liberal members, everybody is now aware of what’s happened here. And they all have a responsibility to contribute to meaningful reform, I think, in this space now. I don’t think they can get away with not doing it now.

IAN MEIKLE: Well, not with Anna chasing them, I wouldn't think.

JOE PREVEDELLO: Well, no, that's right.

ANNA NEELAGAMA: Can I just say in all seriousness, there's a lot of anger and there's a lot of disappointment out there. And I just really feel for everyone involved. And I think the community should be enraged.

IAN MEIKLE: The community should be, because they've been wasting our money. What we don't know is how long this style of contract awarding has been going on.

ANNA NEELAGAMA: Yes. And I think it is important to do an audit, but you've got to do the audit in parallel to other things and deliver things in real time. So it's a big body of work, but it must be done. And I think we haven't probably had time to really unpack it. It's really about, is the codes of conduct for both the public service and the political advisers significant enough, is it well communicated enough, are people unaware of their responsibilities and what they're there to do? How can we ensure that, you know, the people serving the public are, I guess, empowered to do the right thing?

IAN MEIKLE: And independent.

ANNA NEELAGAMA: And independent, absolutely.

IAN MEIKLE: Yeah. It shouldn't be that hard.

ANNA NEELAGAMA: It shouldn't be but, I mean, as you read through the report and kind of unpack it, how can you really deal with it as an individual maybe in middle management when the top officials are misdirected. I mean, that's a complete imbalance of power.

IAN MEIKLE: Yes.

ANNA NEELAGAMA: I mean, where are people meant to go?

IAN MEIKLE: That's true. So the anger you're hearing from your members and the industry, this is anger at this process. But they would know that they've been on the receiving end obliquely in their time building, surely?

ANNA NEELAGAMA: Absolutely. They're frustrated by the process, and if you go through what the Master Builders has been saying for a long time, we've been calling for reforms to the procurement process and secure local jobs repeatedly. It confirms what we already know, but that doesn't mean it's not disappointing and woeful.

JOE PREVEDELLO: All right. There's plenty to unpack. And, I mean, this really only dropped on Thursday. As you say –

IAN MEIKLE: It's a very big –

JOE PREVEDELLO: It's an enormous report. It's hundreds of pages. And there's still plenty to get through there. But I think just to finish up, Anna, I mean, I think it's really disappointing for the industry as well. And you're right – the public should be outraged by it. But, I mean, these businesses invest well and wholeheartedly to make sure they're doing the right thing when it comes to government procurement. They put an enormous amount of money and resources into it. And when a finding comes out like this where everything was done right by one builder – they provided value for money, they were preferred – and then somebody said, "No, we're going to give it to the other guy," with really inappropriate and corrupt influence, it's just not good enough, is it?

IAN MEIKLE: It stinks.

JOE PREVEDELLO: It's hopeless.

ANNA NEELAGAMA: Well, commission's words, not mine – reprehensible.

JOE PREVEDELLO: Yeah. Yeah.

IAN MEIKLE: On that note.

JOE PREVEDELLO: All right, Anna Neelagama, Chief Executive of Master Builders ACT, thanks for coming in.

IAN MEIKLE: Yeah, thanks, Anna.

ANNA NEELAGAMA: Thanks, Ian. Thanks, Joe.

END

Media enquiries:

Tara Nichols | Communications & Marketing Manager
tnichols@mba.org.au | 0430 026 612