

# MEDIA RELEASE

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## **Held to ransom under Fair Work: employers forced to 'agree' and still pay the price**

At an industrial relations summit in Sydney today, national resource industry employer group AMMA will raise the collective concerns of resource employers that the current Fair Work regime has forced labour productivity off the table.

Underpinned by AMMA's RMIT research on the impact of the Fair Work regime on the sector, representatives from the employer body will outline how the laws have resulted in a return to workplace restrictions and transaction costs to employers.

Employers have been failed by a Fair Work Act that was intended to provide a balanced framework for cooperative and productive workplace relations that promoted national economic prosperity," AMMA chief executive Steve Knott says.

"The current IR framework has seen AMMA members held to ransom in their commercial and managerial decision-making by the restrictions on Greenfield agreements, unfettered access to protected industrial action and the broad reach of the general protections provisions.

"And it's not just employers who are paying the price. Escalating labour costs, costs of delay and industrial uncertainty are causing investors and other industry stakeholders to seriously question the financial viability of future resource projects."

AMMA national legal affairs manager Amanda Cochrane said the resource industry has seen no real improvement to labour productivity under the Fair Work regime.

"It's clear the IR laws need to change to ensure more flexibility is given to employers to respond to changing market conditions but also to outlaw agreement content that does nothing to enhance the productivity of an enterprise but serves only to further entrench union power and influence," Ms Cochrane says.

AMMA research has revealed 82.6 per cent of AMMA members that have tried to negotiate productivity improvements in exchange for wage increases under the Fair Work Act have been unable to do so.

AMMA's February 2012 submission to the Fair Work Act review panel makes 54 recommendations for legislative change to the current IR framework with the aim of restoring balance to the current system.

Three key areas of change in AMMA's submission relate to productivity, the rules around taking protected industrial action and the process for making Greenfield agreements.

### **MEDIA:**

AMMA's full submission to the Fair Work review is available here: [http://www.amma.org.au/images/stories/submissions/201202\\_submission\\_on%20the\\_postimplementation\\_review.pdf](http://www.amma.org.au/images/stories/submissions/201202_submission_on%20the_postimplementation_review.pdf)

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The full presentation given by Amanda Cochrane is available here: [http://www.amma.org.au/images/stories/speechespresentations/20120306Held\\_to\\_ransom\\_under\\_Fair\\_Work\\_speech\\_by\\_Amanda\\_Cochrane.pdf](http://www.amma.org.au/images/stories/speechespresentations/20120306Held_to_ransom_under_Fair_Work_speech_by_Amanda_Cochrane.pdf)

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