

MEDIA RELEASE

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Federal intrusion into state government affairs unwelcome by industry

Resource industry employer group AMMA says the federal government's legislative move to interfere in state government matters will have the reverse effect and make it harder for ex-public servants to retain their jobs in outsourced areas.

AMMA's comments come as legislation introduced into Federal Parliament today by Workplace Relations Minister Shorten seeks to extend the Fair Work Act's transfer of business provisions to cover state public sector employees.

As national unemployment figures rise, AMMA chief executive Steve Knott questions whether the move is 'political, not practical' and says the government should instead focus on getting its own workplace relations laws in order at a federal level.

"With today's ABS unemployment figures showing almost 40,000 more people are out of a job, the federal government should look after its own backyard before attempting to extend its problematic laws into the area of state governments," Mr Knott says.

"Rather than address a rising unemployment rate and declining productivity under the national system, the federal government is instead attempting to extend their much maligned IR laws into state matters.

"Already at a national level, the Fair Work Act's 'transfer of business' provisions are making it much harder for an employer to take on the existing workers of a business or contract it has taken over.

"The government's review panel acknowledged that the existing transfer of business provisions had led to 'changes in employer behaviour' nationally and therefore it is very surprising that the federal government has now moved to extend these problematic laws into the states.

"In practice, today's amendment to the transfer of business provisions will discourage private sector employers from employing ex-public sector employees when it comes to private sector ownership of a former state government contract or asset."

AMMA's submission to the Fair Work Act review earlier this year highlighted evidence that the transfer of business provisions in the private sector are already having this effect in business sales and contract transfers in Australia's resource industry.

Mr Knott said the proposals represent an unwarranted intrusion into the administration of state and governments.

"This legislation is clearly aimed at undermining the tough decisions the Queensland Government has had to make in recent times in order to turn around the state's economic circumstances. It is clearly a political-based move, rather than effective employment and IR policy," he says.

"The federal government needs to address the impact these laws are having at a national level and seriously consider what the detriments of such a move would be at a state level.

"The ABS employment figures show the slow burn of the Fair Work framework and primacy should be given to challenges around issues like 'strike first ask questions later' laws, problems with the union monopoly in new agreement making and federal IR laws routinely being ignored by union bosses."

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