

Federal Government must act on five key Fair Work reforms: AMMA

Every day that passes without the federal government addressing the real industrial relations issues in its Fair Work framework risks investment certainty in Australia's \$240 billion worth of potential resource projects, according to national resource industry employer group AMMA.

Following yesterday's National Workplace Relations Consultative Council meeting, AMMA chief executive Steve Knott has reaffirmed the five key areas of reform that would restore private sector and investment confidence in Australia's workplace relations legislation.

"Yesterday's announcements by Workplace Relations Minister Bill Shorten of administrative and clarifying amendments to the Fair Work Act may appease some IR technical bureaucrats, but we are at a very dangerous stage of the investment cycle where Australia's pipeline of projects is becoming clogged and the only antidote is constructive IR policy solutions, not more IR political creative inertia," Mr Knott says.

"This is not the time for the government to be sitting on its hands. After months and months of analysis and reviews, further delays in handing down meaningful and effective IR reforms will continue to undermine investment confidence in Australian resource sector projects. How many projects do we need to see delayed, deferred or cancelled before the government acts?

"The federal government has not addressed the key matters that are resulting in significant delays for new resource projects, rising industrial disputation, and damaging blow-outs in wages and conditions. When coupled with declining productivity levels a perfect storm for further investment strikes is imminent.

"AMMA and its members continue to forcefully request the government to urgently review five key areas of reform and take swift action in delivering an investment certainty reprieve to employers in one of our country's most important industries."

AMMA's submission to the Fair Work Act Review Panel made 54 recommendations for legislative change, however the most pressing areas for reform include:

Greenfield agreement making

"The Fair Work Act review has failed to address the major issues within the greenfield (new project) agreement framework that is seeing one-in-five new resources projects put at serious risk due to ongoing union stalling tactics," Mr Knott says.

Agreement Content (permitted matters)

"It is not in the interest of long-term job security to have unions controlling business issues that should fall under management prerogative. Clauses restricting the use of contractors and labour hire workers should all be outlawed," Mr Knott says.

Protected industrial action

"We have seen how damaging strike action has been in recent times under the Fair Work Act and this will only get worse with a multitude of new agreements up for re-negotiation in coming months. Reform must take place to protect the national well being and raise the bar for unions' ability to take protected strike action. This includes a delivering on the pre-election commitment that a majority of workers must endorse strike action before it proceeds and ensuring unions comply with the rule of law and FWA determinations," Mr Knott says.

Right of Entry

"Unions are regularly disrupting productivity on Australian workplaces with regular and unjustifiable visits, all in the interest of stamping the union's authority or fishing for new members. Some sense of proportion and reasonableness needs to be inserted back into the right of entry rules," Mr Knott says.

Individual flexibility

"The failure of the Fair Work Act 2009 to provide a statutory individual agreement option or to support other individual agreement making options clauses is a sign of an immature industrial relations system," Mr Knott says.

"AMMA urges Minister Shorten to speed up his commitment to employers in handing down meaningful IR legislative reform that will result in real outcomes that will encourage investment and make it easier to operate and employ people in Australia," Mr Knott says.

MEDIA ENQUIRIES: Please contact AMMA on (07) 3210 0313 for further comment.