

Fair Work amendments continue to ignore the real issues

Statement by AMMA Chief Executive Steve Knott

The *Fair Work Act Amendment Bill 2012* introduced to Federal Parliament yesterday has been touted by the government as the first round of legislative change brought on by the Fair Work Act Review Panel's recommendations.

The reality is that these changes have not addressed any of the significant issues within the Fair Work framework that have led to serious challenges within Australian workplace, none more so than for the national resource industry.

The experiences of AMMA members across Australia's wider resources sector demonstrate the wider impacts of the Fair Work framework are directly impacting the industry's work practices and workforce development strategies.

This is particularly concerning when Australia has more than \$500 billion worth of resources projects either approved or proposed for our shores, estimated to create up to 90,000 new jobs by 2016. The Australian Government has a responsibility to implement the policy framework that will ensure this project pipeline is sustained, thereby creating further Australian employment opportunities.

The amendments introduced this week will have limited benefit in this regard and have further eroded the business community's confidence in the Fair Work review process.

Significantly, what is being sold as a tranche of 'technical amendments' also contains a raft of additional powers and a proposed change in structure that risks undermining the integrity and independence of the tribunal. These proposed changes were not adequately addressed during the Fair Work Review Panel process and therefore need to be examined more thoroughly.

This week the government's Asia white paper unveiled a grand plan to elevate Australia's ease of doing business to within the top five in the world, yet blatantly omitted any real reference to workplace reform. The outcomes of the Fair Work Act review panel also emphasised productivity gains but failed to consider any of the recommendations made by various employer groups that would lead to more productive workplaces.

AMMA urges the government to move swiftly to address the real issues that to date have largely been ignored. These include:

- The significant power imbalance on greenfield (new project) agreement negotiations that has led to cost blow-outs and one-in-five new resources projects put at serious risk due to union stalling tactics;
- The ability for unions to take protected strike action in support of matters that have nothing to do with the efficient operation of an enterprise or the direct employment relationship, such as contractor restrictions or promotion of union membership;
- The limited methods available to employers to resist ongoing protected strike action, often taken in pursuit of uncommercial and exorbitant claims;
- The regular disruption of Australian workplace through unjustified union right of entry provisions, leading to commercial impacts, workplace disharmony and productivity losses; and
- The failure of the Fair Work Act to facilitate any flexible working arrangements where a worker and an employee can directly negotiate a suitable employment arrangement of mutual benefit

For an executive summary of AMMA's recommendations for reform to the Fair Work Act, [click here](#).
For AMMA's media release on the recommendations of the Fair Work Review Panel, [click here](#).

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