

# MEDIA RELEASE

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## **Budget comment: Labor's IR legacy just as bad as its fiscal legacy**

*AMMA – Australian Mines and Metals Association*

THE national deficit revealed in today's 2013-14 Mid-Year Economic and Fiscal Outlook starkly illustrates why the government must embark on fundamental workplace reform, says Australia's national resource industry employer group, AMMA.

"Australia's resource industry can play a critical role in helping our country overcome today's forecast budget deficit of \$47 billion," says AMMA chief executive Steve Knott.

"Despite talk of an easing of investment, there is still about \$480bn worth of projects either committed for Australia or proposed for our shores. We have the resources, we have the capability and the world has the appetite – we must not let poor regulation stand in the way.

"Our nation cannot afford to lose the economic benefits of these projects, including income tax from 127,000 construction jobs and long-term royalties and commodity export earnings.

"The first step in restoring our nation's global competitiveness is the Federal Opposition respecting the government's mandate to remove the carbon and mining taxes. Another critical step is ensuring new projects can proceed through efficient approval processes without facing crippling delays or uncertainty."

Mr Knott says urgent reform is particularly required in critical areas of workplace relations that dog Australia's resource employers.

"The reality is Labor's IR legacy is just as bad as its fiscal legacy," he says.

"Genuine workplace relations reform must be a major priority for restoring Australia's competitiveness and stimulating economic activity that will greatly assist the budget situation.

"Today's budget makes it imperative that the government not sit on its hands for three years before introducing meaningful workplace relations reforms. It makes it imperative that the Senate not hold back improvements to the system.

"AMMA strongly encourages the government to embark on a workforce reform agenda, consistent with their pre-election policies, to encourage businesses to invest, innovate and create employment growth and associated government revenue.

"Key areas of reform that will help secure Australia's \$480bn of resources industry projects include a more balanced agreement making process for new projects, a return to sensible union site entry laws and bringing back the ABCC to stamp out illegal strike action.

"Coupled with the industry's ongoing initiatives to promote greater productivity and diversify and up-skill its 270,000 strong workforce, these workplace reforms would have a striking impact on our nation's ability to recover our previously strong fiscal position."

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