

MEDIA RELEASE

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Changes to bargaining laws will lead to more productive talks, less strike action

AMMA (Australian Mines and Metals Association) – The resource industry employer group

AUSTRALIA'S resource industry strongly supports important proposed changes to our nation's workplace laws that will encourage bargaining between employers, employees and where involved, trade unions, to deliver more productive outcomes for our economy.

With the *Fair Work Amendment (Bargaining Processes) Bill 2014* introduced into federal parliament this morning, AMMA chief executive Steve Knott welcomes the measures to encourage workplace productivity and discourage premature strike action, particularly where trade unions are involved.

"It's widely acknowledged that Australia has a major productivity challenge that is impacting on the competitiveness of our workplaces and our industries," Mr Knott says.

"Business leadership has an important role to play in addressing this, and employers do not shy away from their responsibility to make their individual enterprises more productive and more competitive.

"However, for too long employers have battled an ineffective and uncompetitive workplace system that creates barriers and distractions to leadership, innovation and productivity.

"This is particularly prevalent where trade unions are involved in bargaining, forcing employers to process a phone book of union claims, effectively excluding any real opportunity to look at ways to improve the competitiveness and productivity of the business.

"The system also leaves employers under a constant threat of strike action, the impact of which goes well beyond the limited data captured by the ABS and creates industrial uncertainty and very real risks to doing business in Australia.

"These amendments provide much-needed measures to start reversing the dangerous direction our workplace bargaining system has been heading in over the past five years, and to help sustain our nation's economic growth, living standards and employment."

The resource industry has been one of the key sectors impacted by unions seeking to strike over excessive claims, including the recent case of well-paid Port Hedland tugboat employees threatening to halt \$150 million of daily iron ore exports in pursuit of further pay increases.

The *Fair Work Amendment (Bargaining Processes) Bill 2014* will improve the system by:

- Ensuring bargaining parties have sufficiently progressed their claims, and that those claims are not 'manifestly excessive', before a union's application to strike can be approved; and
- Ensuring productivity improvements have been properly discussed and considered before the Fair Work Commission approves a new enterprise agreement.

"The World Economic Forum rates Australia's 'pay and productivity' at 125th in the world and our 'co-operation in labour-employer relations' at 109th in the world. Clearly our nation can no longer afford to pay lip service to productivity or be known as a 'strike prone' nation," Mr Knott continues.

"AMMA encourages all parliamentarians, including crossbench senators, to pass this legislation into law and support Australia's business community in their efforts to increase the productivity and competitiveness of Australian workplaces."

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