

MEDIA RELEASE

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Australia must do better on workplace relations to maintain resource investment

FUNDAMENTAL workplace relations reform is critical for Australia's resource industry to reclaim its place as the top global destination for billions of dollars in major project investment, Australia's resource industry employer group AMMA will tell the Productivity Commission in the review announced today.

The federal government has released the terms of reference for the Productivity Commission to review Australia's workplace laws, and with investment tightening and commodity prices falling, improvements to our workplace system cannot come soon enough.

"The urgent need for fundamental structural reform has become clearer in recent months as concerning signs emerge in our economy and labour market," says AMMA chief executive, Steve Knott.

"In a short period of time, our nation has seen just how poorly thought-out workplace regulation can very quickly impact on our ability to compete for capital in a rapidly evolving global market.

"Only a few years ago, investment and jobs growth in Australia's resource sector showed little signs of slowing, with direct employment, economic and social benefits flowing to every Australian.

"Since then, due in no small part to the inflexible and regressive Fair Work system penned by Julia Gillard in close consultation with the ACTU, our nation has fast changed from being one of the most attractive places in the world for major project investment, to being viewed with concern and risk.

"While Australians think of ourselves as living in the 'lucky country', blessed with natural resources, our prosperity relies on sound policy and regulation. Structural reform, including workplace reform, may be difficult to confront, but will ultimately position Australia for success in the longer term.

"The IMF, OECD and World Economic Forum have all clearly identified labour market reform as critical to Australia meeting its growth targets and maintaining living standards. These global organisations caution Australia against complacency, and ignoring this critical area.

"The launch of the Productivity Commission's review provides an opportunity to address fundamental structural concerns before they further impact on Australia's living standards, competitiveness and investment."

While various political and vested interest groups deliberately ignore the impact of workplace relations on productivity and competitiveness, resource employers are calling for sustainable, long-term reforms that can survive across political cycles and position Australia as a world leading economy for generations to come.

Mr Knott says employers, unions and others should take up this opportunity to consider how our workplace relations system can better support our industries and communities into the future.

"We need to seize this opportunity to consider how we regulate work in this country and have a mature national debate on how we can realise our economic and social potential. The resource industry is well advanced in providing relevant and factual input to this process," Mr Knott says.

"In consultation with our members, AMMA's experienced workplace practitioners and lawyers have been preparing the industry's evidence for this significant review for more than eight months."

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