

MEDIA RELEASE

25 November 2015

Increased penalties for secondary boycotts welcomed

*AMMA (Australian Mines and Metals Association)
The resource industry's national employer group*

AMMA welcomes the Turnbull Government's proposal to increase maximum penalties for illegal secondary boycotts from \$750,000 to \$10 million, as recommended by the Harper Competition Policy Review.

This would equalise the penalties for secondary boycotts with other breaches of competition law, such as illegal collusion between businesses or market manipulation. This move was recommended by AMMA in its submission to the Harper Review in 2014, citing that it would better deter unlawful union conduct.

"Australian law has long recognised that secondary boycotts are highly illegal tactics, used by unions during some industrial disputes to apply leverage on third-party employers that are not party to the negotiations nor the primary intended target," says AMMA executive director, policy and public affairs, Scott Barklamb.

"Unless they are effectively prohibited from doing so, some unions will attempt to win their battles by cutting employers' supply lines, or targeting their clients or suppliers, to make it impossible for them to do business.

"This is quite different from direct industrial action as regulated by our workplace relations legislation. Secondary boycotts are not legitimate industrial action, they are not part of any 'right to strike', nor of any democratic right to protest.

"As witnessed in the high profile Boral case, secondary boycotts are detrimental to trading freedom and market competition, and have damaging effects on enterprises, employees and local communities. This includes substantial damage to persons, organisations and groups that have absolutely nothing to do with the original dispute between a union and an employer.

"Our laws need to properly protect businesses not party to industrial disputes, their employees and the community. We cannot allow them to be treated as acceptable collateral damage simply because a union is in dispute with another employer.

"An increase in penalties available to our courts court to \$10 million better reflects the quantum of potential harm suffered by a target of secondary boycott action, and ensures the potential ramifications are effective in discouraging unlawful conduct. It also makes it impossible for a well-resourced union to run a strategy that includes paying fines and ignoring the courts, which we have seen in recent times in some industries."

AMMA's submission to the Competitive Policy Review can be read [here](#).

MEDIA CONTACT: Tom Reid on 0419 153 407 or tom.reid@amma.org.au