

# MEDIA RELEASE

28 April, 2016

## Fair Work Commission clarifies FIFO pay dispute

*AMMA – Australia's resource industry employer group*

AUSTRALIA'S resource employers welcome the Fair Work Commission today clarifying that fly-in, fly-out (FIFO) workers should not receive extra pay for a period of rest and relaxation (R&R) which coincides with their notice period when they are demobilised from a job.

"A Full Bench of the FWC has today upheld the longstanding practice in the resource industry whereby employers can give employees notice of demobilisation that runs concurrently with a period of R&R," explains AMMA legal director Amanda Mansini.

"Resource employers welcome the FWC confirming on appeal that R&R is akin to weekends and is not a special kind of leave. The erroneous implication of the original decision was that employees should be paid-out for their R&R time if it falls within notice of their demobilisation."

AMMA intervened to support the appeal of Kentz Australia, which is performing major construction works on one of Australia's most significant resource sector projects, the Ichthys LNG Project in Darwin.

The involvement of Australia's national peak representative was critical given wider concerns that the original decision could have exposed other resources projects using this longstanding practice to multi-million dollar back-pay claims.

"The resource industry intervened based on widespread and ongoing concerns about the barrage of union claims being made for back pay based on the decision at first instance," Ms Mansini continues.

"Any argument that R&R is an entitlement that must be paid-out is fundamentally flawed. It fails to take into account the unique work practices of large-scale remote resource projects and long standing practices when project work comes to an end.

"The union line being argued here is like expecting to be paid-out for the weekend when your job finishes on a Friday afternoon.

"That logic wouldn't wash with employees working a standard Monday-Friday job, and thankfully it hasn't washed with the Full Bench of the Fair Work Commission."

**MEDIA CONTACT:** [Tom.Reid@amma.org.au](mailto:Tom.Reid@amma.org.au) or 0419 153 407