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90% of resource employers want genuine workplace relations reform from Australia's next government

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

A NATIONAL survey of over 100 resource companies employing more than 85,000 Australians, shows only 1 in 20 employers believe Australia's current workplace relations system reflects the modern economy, and 90% want our next government to urgently deliver genuine workplace reform.

Responding to the <u>AMMA 2016 Federal Election Survey</u>, 9 in 10 resource employers said implementing the Productivity Commission's key recommendations for workplace reform must be an urgent priority following the 2016 election.

87% want the government to go further, and identified bargaining and agreement making, unfair dismissals, individual flexibility and union powers to enter workplaces as key areas where our current workplace legislation is not working and needs to change.

"The survey overwhelmingly confirms that Australia's workplace relations laws are creating significant barriers to employment and growth, and are making it difficult for Australian companies to compete globally. Our workplace relations legislation, the Fair Work Act, is clearly in need of significant amendment," says AMMA CEO Steve Knott.

"Resource employers strongly support restoring the ABCC and improving the governance of registered trade union and employer organisations – but AMMA's 2016 Federal Election Survey shows that Australia cannot afford to stop there on workplace reform.

"For example, 9 in 10 resource employers find it hard to swallow that unions have an artificially privileged position in enterprise bargaining. This is no surprise given only 10% of private sector employees are union members and the current legislation rewards unions for gaming the system rather than sensible negotiation that contributes to productivity and competitiveness.

"Consistent with recent findings of the Productivity Commission, the Fair Work Act must be significantly reformed in the interests of future jobs, growth and living standards."

Key priorities for resource employers identified in AMMA's survey include:

- 94% of employers rate government regulation/ compliance costs as a key impediment to growth.
- Only 1 in 13 believe enterprise bargaining is meeting the needs of both employers and employees.
- 89% report an inability to structure employment arrangements to suit operational needs.
- 79% are concerned at the frequency of union visits to their workplaces.
- 95% are concerned at having to pay 'go away money' to settle unfair dismissal claims even when they have no merit.

These concerns have already been identified in previous reviews of the Fair Work Act under both Labor and the Coalition.

"Our nation's resource employers are sending a clear message to the next Australian Parliament that it must deliver genuine reforms in key areas that have been repeatedly identified as barriers to employment and business growth," Mr Knott says.

"The national cost of failing to act is too great. In the past two years we've seen \$160 billion of resource projects lost to Australia due to cost, delays and other competitive challenges. This is greater than our federal budget for health, education, defence and public services combined.



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"Australia cannot afford to see future waves of global resource investment lost to this country, and jobs and economic benefits flow to competing resource nations.

"It is time to act, to fix clear problems in our workplace relations laws and to ensure they are more appropriate to the challenges we face as a nation. Genuine workplace relations reform will benefit employers, employees and the wider Australian community."

<u>Click here</u> to read the full report of the AMMA 2016 Federal Election Survey.

<u>Click here</u> for a summary of the key findings.

<u>Click here</u> to read more about the specific workplace relations reform priorities of the Australian resource industry, including AMMA's detailed recommendations to reform the Fair Work Act.

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