

MEDIA RELEASE

4 October, 2016

Restrictions on contractors and labour hire must be outlawed

(AMMA – Australian Mines and Metals Association)

UNIONS must be prohibited from abusing enterprise bargaining to restrict businesses from using commercial contracting and labour hire arrangements, the resource industry's national employer group AMMA has told the Australian Government.

In its [submission](#) on the exposure draft of the *Competition and Consumer Amendment (Competition Policy Review) Bill 2016*, AMMA strongly supports the government's move to increase penalties for illegal secondary boycotts, but says union attempts to use enterprise bargaining to restrict the use of contractors and labour hire must also be addressed.

"Resource employers welcome the government acting to subject secondary boycotts to the same maximum penalties as cartel behaviour, price fixing, and other anti-competitive activities," says AMMA's head of policy, Scott Barklamb.

"As we see with the CFMEU's alleged boycott of Boral, currently playing out before the courts, no one ever wins in secondary boycotts. Updated penalties will help deter cynical coercive strategies and ensure employers and customers that have nothing to do with a dispute don't become collateral damage.

"Having said that, when the government acts on secondary boycotts, it must also act on anti-contractor and anti-labour hire clauses, or it risks leaving the job half done.

"Unions shouldn't be telling businesses who they can trade with, and they shouldn't be able to abuse the enterprise bargaining system to lock employees and job seekers out of work."

Both the Harper Review on competition policy and the Productivity Commission review on workplace relations recommended outlawing unions from abusing enterprise bargaining to restrict commercial contracting and labour hire arrangements.

AMMA urges the government to adopt Harper review recommendation 37 which would extend the application of prohibitions under s45E and s45EA of the Competition and Consumer Act 2010 (CCA) to industrial agreements and awards.

At the same time, the government should draft legislation in line with the Productivity Commission's review of Australia's WR system to prohibit agreement clauses that seek to restrict the use of contractors and labour hire arrangements.

MEDIA CONTACT: Kylie Sully on 0409 781 580 or kylie.sully@amma.org.au.