



JOIN AMMA'S '5 REFORMS IN 5 YEARS' CAMPAIGN

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It has been a challenging year for resource employers and indeed for those in the drilling industry.

As 2016 draws to a close, the focus is still very much on achieving the cost efficiencies and productivity measures that will position organisations to take advantage of the next industry upswing.

While there are already signs of recovery on the horizon, with further commodity price increases tipped for early 2017, there is still much about the broader framework our industry operates in that must be addressed.

As the peak national body representing resource industry employers across all sectors and sub-sectors, Australian Mines and Metals Association's (AMMA's) role is to help ensure the industry is an attractive place to invest, do business and employ people.

To ensure this vision becomes a long-term reality, it is clear that fundamental reform of our workplace relations laws cannot be put on the backburner.

The 45th Australian Parliament may now be in full swing, but the question remains as to whether our policymakers can leave behind the political inertia that has prevented the reform necessary to give Australia a workplace relations framework fit for the twenty-first century and beyond.

The federal government's commitment to combatting union lawlessness and corruption through legislation to reinstate the Australian Building and Construction Commission (ABCC) and establish a Registered Organisations Commission is positive, but to assume this should be the last word on workplace reform would do Australian employers, employees and the wider community a profound disservice.

AMMA's 2016 Federal Election Survey showed that there are additional, widespread and longstanding problems with our workplace system – the Fair Work Act - that need to be addressed.

This national survey of over 100 resource companies employing more than 85,000 Australians, revealed that only 1 in 20 employers believe Australia's current workplace relations system reflects the modern economy, and 90 per cent want the federal government to urgently deliver genuine workplace reform.

For example, nine in ten resource employers disagree that unions should have a default privileged position in enterprise bargaining when only 10 per cent of private sector employees are union members. Further, the current legislation rewards unions for gaming the system rather than sensible negotiation that contributes to productivity and competitiveness.

Other key findings include:

- Ninety-four per cent of employers rate government regulation/compliance costs as a key impediment to growth.
- Only one in thirteen believes enterprise bargaining is meeting the needs of both employers and employees.
- Eighty-nine per cent report an inability to structure employment arrangements to suit operational needs.
- Seventy-nine per cent are concerned at the frequency of union visits to their workplaces.

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.

Through these findings and further research and engagement with resource employers, AMMA identified the following five key reform areas that we are actively campaigning for to be implemented over the next five years.

1. Focus enterprise bargaining, and ensure legally protected strike action can only be taken over claims pertaining to the employment relationship, not union 'wishlists' of claims.
2. Return balance to union workplace entry laws by creating an

enforceable code of conduct and removing union access to employee lunch rooms when other suitable meeting rooms are available.

3. Expand agreement making options to facilitate employment arrangements, both individual and collective, directly between employees and employers.
4. Reform unfair dismissal and 'general protections' laws to ensure employers are not forced to pay 'go away money' to settle claims without merit.
5. Replace the Fair Work Commission with modern, balanced institutions by creating an Australian Employment Tribunal and a separate Employment Appeals Tribunal.

A modern and competitive workplace relations system needs to do more than provide protections for employees, it must also support individual choice, flexibility and agility to ensure businesses can invest, prosper and create job opportunities.

These five reforms would deliver growth, productivity and a more positive operating environment for businesses of all sizes and across all industries.

AMMA will be on the front foot – engaging with the government, opposition and all minor parties and independents – to end the paralysis that has characterised our workplace relations system following the vast re-regulation under the Rudd/Gillard governments.

In our industry, the decision on where to invest capital largely rests on costs versus returns; political stability; and the right policies for doing business.

It is imperative that we present a more attractive platform for investment to secure the \$254 billion worth of potential major resource developments in Australia that are in limbo, yet to achieve final investment decision.

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.

Australasian Drilling readers can contribute to AMMA's '5 Reforms Over 5 Years' campaign by getting in touch via amma.org.au/backontrack and sharing your challenges and experiences operating under the Fair Work Act.

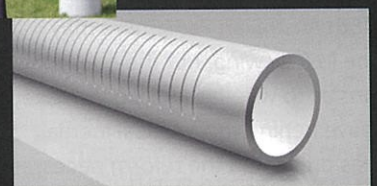
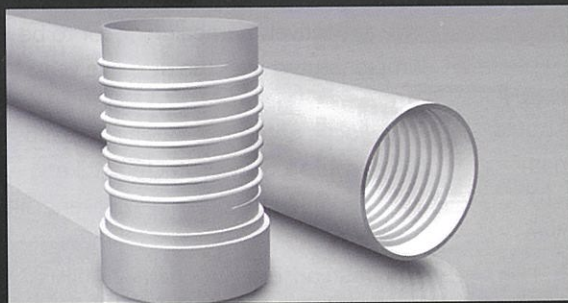
It is time to act; to fix clear problems in our workplace relations laws; and to ensure they are more appropriate to the challenges we face as a nation. Genuine workplace relations reform will benefit employers, employees and the wider Australian community.

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