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Union blocking BHP's travel and bonus deal

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EXCLUSIVE

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The Mining and Energy Union has stalled new travel allowances and \$5000 bonuses for more than 1400 BHP workers, prompting employer concerns that unions could hold up enterprise agreements ahead of Anthony Albanese's second round of industrial reforms.

The MEU has opposed a new enterprise agreement backed by 61 per cent of BHP maintenance workers, which includes more than \$7m in benefits, including travel allowances, matched super, a \$5000 sign-on bonus, leave entitlements and access to the employee share scheme.

Resource and energy sector employers believe Labor's "same job, same pay" changes, which the government will seek to legislate later this year, will jack up their labour costs.

Mining companies argue that the changes will disrupt long-standing workforce practices in some of the country's most productive and highest national revenue-producing projects.

The national agreement on March 24 was backed by a majority of 1427 maintenance workers in BHP's Operations Services division in Western Australia, South Australia and Queensland.

BHP lodged the agreement with the Fair Work Commission for approval on March 31, four

days before the MEU filed an application opposing its approval.

An OS agreement for production workers was narrowly voted down, despite the \$5000 bonus offered in place of a 4 per cent pay rise granted to BHP's direct workforce in Queensland.

Since its establishment in 2018, BHP's operations services has had more than 110,000 applications from across Australia and currently employs more than 4000 permanent employees at 20 locations. Most of the workers were previously engaged in labour hire before moving into permanent roles.

The MEU, which has not been asked by the FWC to provide materials regarding its objection, on Tuesday rejected BHP's claim it was responsible for OS maintenance agreement delays.

When the matter is listed, the union intends to raise its concerns, noting the history of OS agreements being disallowed.

MEU Queensland vice-president Mitch Hughes said BHP was "free to provide its Operations Services employees a bonus at any time". "And they should do so, considering their ongoing attempts to lock OS employees into wages and conditions that fall well short of mining industry standards," he said.

"We won't shy away from applying scrutiny to BHP's in-house labour hire operation or standing up for Operations Services employees. There is a consistent pattern now that when Operations

Services faces scrutiny, it does not comply with the law or community standards in the way it treats employees."

BHP Operations Services vice-president Matt Furrer said "our team voted clearly in favour of the national enterprise agreement we put forward, which included a range of new conditions and a \$5000 bonus payment".

"Now we just want to get on and give our people what they told us clearly that they want," he said.

"The Fair Work Commission has played an important role in facilitating bargaining for this na-

tional agreement and we will continue to follow their process. But we're keen to see that completed as soon as possible and without unnecessary delay."

Opposition industrial relations spokeswoman Michaelia Cash warned about disruptive tactics deployed by unions ahead of the next round of Labor's IR reforms and said it was "absolutely outrageous" for the MEU to stall the agreement.

"These types of tactics by unions make life harder for workers and companies involved," Senator Cash said.

"We are likely to see more of these disruptive tactics as a result of the extreme changes to the industrial relations system by the Albanese government."

With Australian mining paying on average \$148,000, compared with \$96,800 across all indus-



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tries, Australian Resources and Energy Employer Association chief executive Steve Knott described Labor's same job, same pay policy as a "pathway to no jobs, no pay".



Union leader Mitch Hughes