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LABOR SHAKE'N'BAKE

West Australian, Perth

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KIMBERLEY CAINES

Business heavyweights have rallied against Labor’s industrial relations shake-up, arguing the changes will drive up costs and lead to thousands of job losses.

Another contentious round of workplace reforms — including “same job, same pay” rules for labour hire, criminalising wage theft, and creating a pathway for casual workers to become permanent — were detailed by Workplace Relations Minister Tony Burke on Thursday, with the proposed changes to be revealed in full in Federal Parliament on Monday.

Mr Burke insists he has addressed the concerns of the resources sector over labour hire reforms, despite mining companies warning they could have to spend billions of dollars restructuring their operations in response to the new laws.

Minerals Council of Australia chief executive Tania Constable said the proposed legislation would drive up costs for businesses and result in fewer jobs.

“I represent the mining industry of Australia, the most productive, the most competitive industry in Australia,” Ms Constable said.

“This legislation, as it has been put forward, drags in every part of the economy.

“It drags in workers, it drags in every business and you’ve got to prove they should be out of this legislation rather than prove that you should be in, that is driving up costs, and it’s driving up complexity for every business.

“At the end of the day, make no mistake, we’re talking about less jobs.”

Australian Industry Group chief executive Innes Willox

said the reforms would not address the productivity problems facing the economy and would discourage Australians from starting a small business.

“Employers have made it clear through the consultation process, as we have engaged, that if what is proposed is implemented it will lead to increased costs, increased complexity, less employment, and unfortunately, the laying off of thousands of people across the economy over time,” he said.

“They’ve given consideration to this — it just becomes all too hard for them to employ. Employers are under the hammer already around

costs around the competitive nature that they face internationally, higher energy costs, the threat of blackouts.”

Business Council chief executive Jennifer Westacott



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Page 2 of 2

described the new rules as a “radical shake-up”.

“It will create complexity, it will create extra cost, it will make it harder to get casual work,” she said.

Australian Chamber of Commerce and Industry chief executive Andrew McKellar said the new laws would be a “devastating blow” to ambitious Australians who wanted to determine their own future.

“Under this proposal, it is the union’s way or the highway,” he said.

Australian Council of Trade Unions president Michele O’Neil accused the employer lobby groups of “scare campaigns”.

Mr Burke said no businesses had approached him to say they would need to rework the way they run their company under the same job, same pay changes.

He also said Labor was not preventing a critical minerals boom from happening in WA due to the proposed rule.

“The service contractors have come up with a solution to their absolute credit. They haven’t come to me saying ‘this is a disaster and we need to stop you from doing it,’” Mr Burke said.

“As long as we get that right, and we’ve been following their advice on how we draft this, there’s no restructure required from them. The restructure was required in terms of how we drafted the Act.”

BHP has estimated the overall financial impact on its operations would be up to \$1.3 billion a year if labour-hire companies were effectively banned by industrial relations laws. Under the legislation, employers would be required to pay labour-hire workers the same rate as direct employees doing the same job.

“Like a lot of businesses, BHP does have concerns about the same job, same pay policy because we think it will have a negative impact on Australia’s competitiveness,” BHP President Geraldine Slattery said.

Australian Resources & Energy Employer Association chief executive Steve Knott acknowledged his organisation had met Mr Burke to ensure the employment and operational interests of the resources sector were “well understood”.

“AREEA does not support the policy in principle,” Mr Knott said.

“However, Minister Burke’s reception and response to the needs of AREEA’s service contractor members — who are the lifeblood of the resources and energy sector — has been encouraging.”

Shadow workplace relations Minister Michaelia Cash said Labor was “making a bad situation worse” when cost-of-living pressures were biting, inflation was high and businesses were struggling with staff shortages.

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Business Council CEO Jennifer Westcott