



MEDIA RELEASE

Australian Mines and Metals Association

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Here we go again...Miners prepare for change as first stage of industrial relations reform begins

The Government's Workplace Relations Amendment (Transition to Forward with Fairness) Bill 2008 introduced by Deputy Prime Minister Gillard today reflects policy statements made by the ALP prior to 24 November 2007 federal election.

'The Bill contains no surprises. Despite abolishing new AWAs, the resources sector is pleased that the Government has not succumbed to the demands of some unions to make more radical changes', Mr Steve Knott Chief Executive of Australian Mines and Metals Association (AMMA) said today.

As expected the Bill abolishes new Australian Workplace Agreements but caters for new individual statutory agreements called Individual Transitional Employment Arrangements (ITEAs) until December 2009. ITEAs must pass a No Disadvantage Test (NDT). Given the wages paid in the resources sector, this presents no short-term difficulty for employers who have individual statutory agreements with their entire workforce.

'Employers in the resources sector will, and in some cases have already, developed strategies to deal with the loss of AWAs. The use of other legislative mechanisms to facilitate direct employment, increased employee engagement and increased organisational effectiveness will be actively pursued' Mr Knott said today.

'The resources sector has good working relationships with its employees and the focus will remain on maintaining those relationships within a new industrial relations system. The resources sector is well placed to manage change and many will commence the transition from AWAs to employee collective agreements to sustain their direct employment arrangements. Our members are practical and will simply get on with the job of industrial relations strategy planning for the long term', Mr Knott said.

The decision by the Government to allow AWAs and ITEAs to remain in force beyond their nominal expiry date is welcomed by AMMA.

'Having the capacity for AWAs and ITEAs to operate beyond their nominal expiry date and ability to offer ITEAs as a condition of employment will give business sufficient time to devise long term strategies that are suitable to all parties', Mr Knott said today.

During this period the Industry will watch with interest to see if the Government can deliver on its stated position that new modern awards with flexibility provisions can deliver a framework that makes the need for statutory individual agreement legislation obsolete. At present, the absence of AWAs often require employers to negotiate with unions on work changes, rosters and hours and so forth even when the union has no members on site. This is extremely productivity sapping, often brings in external agendas, and is not a scenario Australian business wishes to be saddled with.

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'A modern award system of the type proposed by the Government, if delivered by December 2009 when the capacity to make ITEAs is removed, would be most welcome,' Mr Knott said.

While the industry accepts that AWAs do not form part of the Government's industrial relations system, *'AMMA will monitor the debate in Parliament with interest, in particular any move by Opposition groups to seek the continuation of pre-WorkChoices AWAs'*, Mr Knott said.

It is a matter of public record that AMMA and its members have responsibly used pre-WorkChoices AWAs that were underpinned by a global No Disadvantage Test, a system that worked well for the Industry and employees for well over a decade.

AMMA will also seek the opportunity to comment on the Bill should it be subject to a Senate review. *'There are particular aspects that remain of concern'*, Mr Knott said. *'For example the capacity of the Workplace Authority to process agreements in a timely manner is of critical importance.'*

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