



MEDIA RELEASE

Australian Mines and Metals Association

5 July 2007

Rudd, Gillard and CFMEU Get AWA Statistics Wrong Again

In its bid to deny Australian mining sector employers and employees the right to enter into statutory individual contracts the ALP seeks to justify its position by pointing to outdated and unreliable statistics about the number of mining AWAs.

The Australian Mines and Metals Association (AMMA) believes that in the debate over AWAs in the mining industry, the ALP continues to miss the point.

AMMA Chief Executive Steve Knott said *“Australia has moved on since Paul Keating broke up the union dominated /Industrial Relations Commission based wage fixation system of the 1980’s and early 1990’s. This was a system that discouraged workplace productivity improvements by providing ‘one size fits all’ wage increases.”*

“A modern workplace relations system should provide a full range of agreement making options, not just one which traditionally have involved unions. These options must include statutory individual, collective and greenfields agreements. Denying access to AWAs is really code for giving unions bosses a seat at the negotiating table.”

But what of the issue of the take up of AWAs mining sector?

Data from the official record keeper, the Workplace Authority which has access to all AWAs, shows that as at June 2007 over 40% of the mining industry is employed under an AWA. Furthermore, records show that 80% of mining employees who entered into new agreements in the past 3 months are covered by AWAs.

It appears the figure of 16% AWA coverage quoted by the ALP and CFMEU is based on the biennial ABS Employee Earnings and Hours Report. This ABS data is over a year old and is based on a sample that does not appear to be reflective of the mining industry.

For example, this old ABS data records a 2.2 per cent decline in the number of West Australian employees covered by an AWA in the period May 2004 to May 2006). This is entirely at odds with Workplace Authority data which indicates ‘live’ AWA in Western Australia increased by 76 per cent during the period. This discrepancy defies explanation other than the use of an unreliable sample.

“The role of AWAs in the mining industry is too import for a ‘smoke and mirrors’ debate based on outdated unrepresentative statistics – the ALP and CFMEU should recognise that the mining sector has used the flexibility offered by AWAs to engage with its employees directly and reward them handsomely. Removing AWAs will once again force employers to bargain with unions instead of directly engaging in bilaterally beneficial negotiations with their employees. The facts are clear 85% of employees have consciously decided not to join a union, which should be seen as a clear indication of the feelings of a modern workforce,” said Mr Knott.

Media Contact:

Troy Cush, Marketing and Communications Specialist

T: 07 32100313 M: 0408 334392 F: 07 32100291 E: troy.cush@amma.org.au

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“The ALP should not allow its policy to be hijacked by unions who simply want to ensure their future by increasing membership.”

“AWA’s have been part of the mining landscape for well over a decade now – the mining industry is critical to Australia’s economic future - it would be irresponsible and unfair to both employees and employers to impose a workplace relations system from the past.”

For further comment please contact:

Steve Knott,
AMMA Chief Executive
Ph: 0419 918 408

Or

Christopher Platt,
AMMA General Manager of Workplace Policy
Ph: 0419 897 955