

Media Summary

Summary of key policy issues covered in the Fair Work Amendment Bill 2014

New project agreement process ('Greenfields negotiations')

AMMA has consistently maintained that the process for securing new project agreements, also known as 'greenfields negotiations', requires urgent change to properly encourage and support future project investment in Australia.

The monopoly provided by the previous government's Fair Work Act to unions on bargaining for new project agreements has contributed to delays in bringing new projects to market, and has artificially inflated wages and conditions in some key areas of the resource industry. AMMA pointed this out when the Rudd/Gillard amended the legislation and our concerns have been borne out in practice.

In November last year, Employment Minister Eric Abetz told AMMA's Tasmania Conference that it was in the 'national interest' for the greenfields negotiation process to be overhauled. AMMA welcomes plans to introduce a three month window for unions to reach an agreement before an employer can take the proposed agreement to the Fair Work Commission.

Union 'right of entry'

The previous government's *Fair Work Act 2009* significantly changed laws governing union entry into worksites, practically opening up any business to an influx of disruptive, productivity-killing union recruitment drives by removing key criteria for entry.

These changes broke an explicit promise by then-deputy opposition leader Julia Gillard in 2007 that Labor would not change the widely understood and effective union site entry laws. The move added significantly to business costs and gave rise to a major problem plaguing the Fair Work system, and again AMMA consistently pointed this out. Our concerns were ignored by the previous government, and problems we foresaw came to pass.

In 2013, then-workplace relations minister Bill Shorten took this a step further by opening up remote resource industry sites to union visits (and expecting the employer to subsidise such visits), while also making staff lunch rooms the default meeting place (previously 'off limits' to unions).

The Coalition's policy is to return to the pre-2009 model. It is well overdue that practicality is restored in this area and AMMA welcomes the Coalition seeking to finally uphold the former government's promise to leave these laws alone, and to return them to the long standing pre-2009 approach.

Individual flexibility arrangements

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AMMA has lobbied extensively on the paucity of genuine workplace flexibility under the *Fair Work Act*, in particular through Individual Flexibility Agreements (IFAs). The resource industry has never used 'flexibility' to undercut wages or conditions, rather to genuinely facilitate employers and employees to enter into mutually rewarding workplace arrangements. The government's intended improvements to IFAs fix obvious faults in the Fair Work Act and will help deliver real flexibility in the workplace.

'Strike first bargain later'

AMMA was the only employer group that pursued litigation in relation to the *JJ Richards* decision in 2011, which demonstrated that the Fair Work system was encouraging an unacceptable 'strike first, bargain later' approach to industrial negotiations.

This issue appears to be addressed in the government's amending bill and would close a key loophole identified by AMMA to better protect employers from a 'strike first, bargain later' union approach.

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