

MEDIA RELEASE

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Bargaining reform critical to improved productivity, AMMA tells national inquiry

(AMMA – Australian Mines and Metals Association)

SIGNIFICANT reform of Australia's enterprise bargaining system is urgently required if Australia is to lift its national productivity and maintain its current high living standards, Australia's resource industry employer group, AMMA, has told the Productivity Commission (PC).

In its [submission](#) to the PC's *Inquiry into Increasing Australia's Future Prosperity*, AMMA highlighted workplace relations reform – starting with bargaining – as a critical area of focus for improving Australia's productivity performance.

“Enterprise bargaining is intended to be a key driver of productivity in Australian workplaces, however under our current workplace relations system, bargaining has become over-bureaucratic and focused solely on pay and conditions,” AMMA director of industry services, Tara Diamond, said.

“There is a concerning trend for bargaining to be a process of simply rolling over one generation of agreement into the next, save for increased pay levels, and too often employer ideas to improve productivity or efficiency through workplace changes are forced off the table.

“These developments are not positive for Australia's productivity performance.”

AMMA's recommended reforms for enterprise bargaining reform included:

- Focusing bargaining on the relationship between employers and employees, not employers and unions;
- Stopping agreements from restricting the use of independent contractors or labour hire services;
- Improving the capacity for enterprise bargaining to deliver real workplace flexibility;
- Allowing employers and employees to agree to longer enterprise agreements, which can enshrine agreed approaches to productivity growth and focus on renegotiation concerns.
- Allowing the Fair Work Commission greater discretion to correct minor defects in bargaining paperwork and processes, rather than simply rejecting a draft agreement due to a minor error.

Reforming enterprise bargaining was one of AMMA's [five key areas](#) of workplace relations reform heavily advocated to the PC as part of its 2015 broader workplace relations inquiry.

In its submission to the current inquiry, AMMA has reaffirmed the importance of these reforms and called on the PC to urge the government to act on its 2015 recommendations.

“AMMA is concerned that, more than year from the completion of the PC's final inquiry report into workplace relations, the government has yet to formally respond to its recommendations, the majority of which are universally supported by the business community,” Ms Diamond continued.

“The PC should use this review to urge the government to legislative its key workplace relations recommendations during the 2017 Parliamentary year. Only when Australia regulates work better can we improve our productivity and thus set our nation up for increased prosperity in the future.”

[Click here](#) for AMMA's submission to the PC's *Inquiry into Increasing Australia's Future Prosperity*.

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