



MEDIA RELEASE

MINERALS COUNCIL OF AUSTRALIA

Labor's plan will erode competitiveness and jeopardise jobs

Statement from Tania Constable, Chief Executive

The federal Opposition's proposed restrictions on the use of labour hire in Australian workplaces would be a backward step for employers and workers, inhibiting workplace flexibility and reducing job opportunities.

The plan is deeply flawed, based on false premises and would negatively impact Australia's economy.

Instead of tackling the rigidities in the workplace relations system which are prompting many businesses to use labour hire, it would only introduce new inflexibilities into working arrangements and cost jobs.

Australia's mining and mining services sectors support 1.1 million jobs and contribute 15 per cent of GDP.

Labor's plan will erode Australian mining's international competitiveness and act as a barrier to introducing new ways of working and new technologies and skills.

That will be bad news for investment and productivity in the mining industry and will undermine the industry's ability to continue creating well-paid and highly-skilled new jobs into the future.

Labour hire workers in the resources sector are generally highly paid and highly skilled and are protected by the same rigorous health and safety laws as other mining workers.

Average annual earnings in the mining industry are about \$140,000 – the highest of any industry in Australia and more than 60 per cent higher than the national average.

Over the last decade, the Australian mining industry has delivered average annual wages growth of 5 per cent, well above the national rate of wages growth over this period.

By eroding competitiveness, Labor's plan will jeopardise the industry's ability to continue paying high wages to attract and reward the skilled workers it needs to take advantage of future growth opportunities.

It will also hurt the many regionally-based small and medium sized businesses and contractors servicing the mining industry.

The MCA notes that the Opposition intends to consult with business about the implementation of the policy.

We will make strong representations to the Opposition about the many flaws in its plan and the need to rebalance the existing imbalanced federal workplace relations system.

The MCA has already proposed a set of modest [reforms](#) to make the workplace relations system more flexible. These reforms will maintain the fairness of the system while avoiding heavy-handed regulation which puts jobs and investment at risk.

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