

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2012-2013**

Outcome 4 – Workplace Relations and Economic Strategy

DEEWR Question No. EW0658_13

Senator Abetz asked on 17 October 2012, Hansard page 100

Question

Excessive wage claims

Senator ABETZ: An article in the Australian on 25 June 2012 headed 'Unions cleared for Lend Lease strike' asserted that unions had won the right to pursue strike action against property giant Lend Lease in support of a job security claim that employers warned would potentially block business restructuring. Parliament Secretary, was that decision one that was seen as the act working as it should?

Senator Jacinta Collins: I am not familiar with the decision. I will take it on board.

Senator ABETZ: Can you take that on notice, then, to advise us whether that was an outcome the government would have expected under the Fair Work Act. Is the government concerned that unions could threaten the boom through excessive wage claims? The boom I am referring to is the mining boom.

Senator Jacinta Collins: Sorry, Senator Abetz: is the government concerned about the claim—from where?

Senator ABETZ: Is the government concerned that unions could threaten the mining boom through excessive wage claims?

Senator Jacinta Collins: And what is the source of this assertion?

Senator ABETZ: Let's go right through it. Does the government believe that wage claims have been made by unions in the mining sector? Hopefully we can agree that the answer is yes.

Senator Jacinta Collins: Wage claims have occurred, yes.

Senator ABETZ: Yes. Good. Would you describe them as being excessive? Does the government describe them as being excessive?

Senator Jacinta Collins: I will have to take that on notice.

Senator ABETZ: All right.

Answer

Employees and their bargaining representatives cannot organise or take protected industrial action in support of claims for a proposed enterprise agreement that will include terms that are not about permitted matters.

Permitted matters include matters that pertain to the relationship between the employer and the employees to be covered by the agreement, such as rates of pay and allowances, and matters that pertain to the relationship between the employer and the employee organisation/s that will be covered by the agreement, such as terms relating to union training leave.

The good faith bargaining requirements of the Fair Work Act 2009 do not require parties to agree to all claims presented during bargaining as terms to be included in an enterprise agreement.

For the period 1 July 2009 to 30 September 2012, the Average Annualised Wage Increase (AAWI) for Mining agreements under the Fair Work Act 2009 is 4.5 per cent. The AAWI for Mining agreements approved over the same length of time immediately preceding the Fair Work Act 2009 was 4.3 per cent.