



# FACT SHEET

## Why is it hard to get true data on casuals in mining?

Mining communities keep being told there aren't many casuals in mining. Employers have been claiming absurdly low percentages to claim that casualisation is not a problem in mining.

However, new data **kept secret** by the Federal Government shows the growth of casual work in mining and illustrates why employers embrace the model – they are cheaper.

There are three reasons why the estimates being shopped around by the employer lobbyists are wrong:

- 1 Labour hire companies are not included in official employment data on the mining industry, therefore the data doesn't capture casuals employed through labour hire – which is how most casuals are employed.
- 2 The survey sample used by the ABS in relation to the coal mining industry is so small that it is subject to fluctuation and a wide margin of error.
- 3 The dataset that gives the fullest picture of what is happening with casuals in the industry – produced by the Coal Mining Industry Long Service Leave Corporation - has been suppressed by the Federal Government.

Let's look at these issues more closely.

### 1. The big labour hire providers don't classify themselves as being in the mining industry

Under Australian Bureau of Statistics (ABS) classifications, labour hire companies fall under the 'Administrative and Services Support' industry. So all the casual coal miners working 12



hours shifts across the industry, doing the same jobs as permanents but with less pay and no leave entitlements for years on end? According to the official industry employment figures they're not mineworkers and are not counted.

The role of labour hire in the coal industry has grown dramatically as the proportion of workers directly employed by mine operators has fallen. As an indication, the recent Queensland Coal Board of Inquiry heard evidence that in 2017, just 45% of the Queensland open cut workforce and 48% of the underground workforce were directly employed. This compares with 65% in 2002 and 94% in 1996<sup>1</sup>.

While specialist contractors may account for a small number of workers not directly employed by mine operators, the vast majority are coal mineworkers employed through labour hire companies – however their rates of casualisation are not being captured.

***Check out some of the major labour hire suppliers to the coal industry:***

**Chandler Macleod** has over 20,000 workers on 'client sites'. Its report to the Federal Government says 97% (more than 19 out of every 20) of its workforce are casual. But these casuals are not included in mining industry data.<sup>2</sup>

**Workpac** says it has more than 10,000 'field team members' on client sites, of whom more than 80% (or 4 in every 5 workers) are casual<sup>3</sup>. None are captured in mining industry figures. The WorkPac Coal Agreement 2019 covered 3673 employees and 3273 were casuals<sup>4</sup>.

**One Key Resources** has nearly 1,500 workers in the mining industry. Sixty five percent are casuals and none are classified under mining.<sup>5</sup>

## **2. ABS labour force data doesn't tell the full picture**

The [Central Queensland Today](#) publication<sup>6</sup>, along with others, recently published data from the Australian Bureau of Statistics that states casuals in Queensland mining (mostly but not only coal) were just 11.3% of the workforce, or a little over 1 in 10 workers.

That the data from the ABS 'jumps around' should be a clue that it's unreliable – it varies from under 10% (1 in 10) to more than 25% (1 in 4 workers) in just 6 months.

The reason? The data comes from the *Labour Force Survey*, which is around 50,000 workers in 26,000 households. But that's out of a workforce of 13.9 million, when the coal mining

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<sup>1</sup> Queensland Coal Mining Board of Inquiry, Report Part 2 May 2021

<sup>2</sup> Chandler Macleod website plus company report to the Workplace Gender Equality Agency for 2020

<sup>3</sup> Workpac Report to WGEA 2020

<sup>4</sup> Workpac Coal Mining Agreement 2019, [2019] FWCA 4505

<sup>5</sup> One Key Resources Report to WGEA 2020

<sup>6</sup> Central Queensland Today, 'Casuals a minority in mining' 30 July 2021



workforce is shown as 43,000 (a number that bounces around a lot too!). To reach that conclusion, the ABS interviewed approximately 138 workers who said they worked for a coal mining company.

### **3. There is coal industry specific data that backs us on casuals**

The coal industry has a union-won portable long service leave scheme, and it covers everyone in the industry including casuals. It is accurate because all employers in the coal mining industry have to supply monthly returns that specifies the employment category of the employee and the rates of pay upon which they pay their long service leave levy.

This data was supplied to the Federal Government's IR working groups in 2020. However the Government has chosen not to release it, and instead back the misrepresentations of the business lobby. The document was only made public recently because of a Budget Estimates question on notice made by Labor Senator Louise Pratt.<sup>7</sup>

The data collected by the Coal Long Service Leave Corporation scheme shows over 30% of the whole coal workforce are casuals. It also shows that the hourly rate paid to casuals is about 40% less than that applying to permanent employees.<sup>8</sup>

It is likely that the rate of casualisation amongst the production and maintenance workforce on coal mines is much higher than 30%. This is because the data includes management, professional staff and administration, who comprise up to 40% of the workforce. These roles are much more likely to be employed as permanent employees directly by the mining company. The LSL figures suggest that casuals could be close to 50% of the production and maintenance workforce.

See the Coal LSL data:

<https://me.cfmeu.org.au/sites/me.cfmeu.org.au/files/CasualsData.pdf>

Casualisation of permanent jobs is a serious issue in the coal industry, which is having detrimental impacts on well-being of workers and the sustainability of regional communities.

The lack of transparent data on rates of casualisation and efforts by government and industry to suppress and mispresent the data that does exist undermines fair and effective policy-making.

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<sup>7</sup> Question on notice no. 115 Portfolio question number: EEC-BE21-115 2021-22 Budget estimates Education and Employment Committee, Attorney-General's, including Industrial Relations matters Portfolio

<sup>8</sup> Coal Mining (Long Service Leave Funding) Corporation data provided to Attorney General's working groups on industrial relations, 2020

