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# Yallourn miners fight and win



Members at Yallourn coal mine have established an important industry standard for redundancy entitlements and won a 16% pay rise after two months of industrial action.

Their new, substantially improved Enterprise Agreement was voted up on Friday with near unanimous support.

**Initially, members were offered a 0% pay increase over the four years if any gains were to be made in an increase in redundancy, but members weren't having any of it.**

Workers organised and took industrial action around the clock, including refusing supervisory roles which meant that that senior management got a taste of what life is like as a 24/7 shift worker by getting called to work at 2:00am.

**RTL responded to industrial action aggressively, shifting crew breaks to bypass stoppages, and even docking four hours' worth of work for five minutes of alleged unprotected action.**

**However, members stuck together and won.**

Victorian District Secretary Mark Richards said members were incredibly pleased with the overwhelming support for the new Enterprise Agreement. He said that bringing RTL back to the table with a much better offer in hand was a hard slog, but it was a great achievement.

The new Agreement provides for 16% pay rise over four years and a range of improved entitlements including backdated seasonal workers' severance pay (which applies to casuals), higher duties allowance, tool allowance and more.

Most importantly, the new Agreement contains improved redundancy provisions. This is a pressing issue for members as the closure date of the site was recently brought forward by four years to 2028. Yallourn coal mine exclusively supplies the power station and uncertainty in the industry means the closure date could be brought even further forward.

Previously, mineworkers at Yallourn coal mine did not receive the same redundancy entitlements as workers at Yallourn power station, simply because they are contractors

and not employees of EnergyAustralia.

Redundancy provisions are now comparable, with the new Agreement increasing entitlements to four weeks per year of service capped at a maximum of 104 weeks. Employees are now automatically entitled to 12 weeks redundancy from the day they start, up until three years of service.

**Mark Richards said the new provision established a new industry standard of four weeks per year of service, which was an important victory for workers affected by energy transition.**

“Congratulations to our members at Yallourn. They didn’t back down and their collective show of strength has delivered fantastic results.

“They are proud to be part of a union that is supporting the fight for a coal mining and power redundancy industry standard, that should be an essential part of a national energy transition policy.

“The backing of our national legal team was essential with lawyer Alister Kentish providing expert support and advice.

“This is a great example of what workers can achieve when they are united and willing to take action.”

# Coal Miners Cup a great day of footy

Over 280 kids from nine primary schools across the Gunnedah region in northern NSW gathered for a great day of rugby league competition at the annual Coalminers Cup Carnival in August.

The Coalminers Cup, established and sponsored by the Northern Mining and NSW Energy District, is a long-running tradition in Gunnedah now in its 23rd year.

**The Cup is an important event to the local community in the Gunnedah region. Some schools in the local area are very small, with only 10 to 15 students. The Cup provides a fantastic opportunity for kids to socialise with their peers from around the region and build new connections and learn about sportsmanship.**

It was a thrill for the kids to have Wests Tigers star Tommy Talau attend to answer the many questions put to him by the kids.

The kids had a great day out and formed memories for a lifetime according to event organiser Ross Whitaker, himself a former Greater Northern representative rugby league player.

Many MEU members were also in attendance to support the kids, including Tony Watson District Check Inspector.

The MEU has a proud history of bringing the community together in the Gunnedah region and we are proud to be continuing that tradition following some years where we were unable to hold the event due to COVID-19.

We send our thanks to the sponsors of the event, including the MEU Northern Mining and NSW Energy District, Unity Bank, Mine Super, Boggabri and Namoi Valley Lodges.





# Union Win! BHP apprentices and trainees now eligible for paid parental leave

Apprentices and trainees employed by BHP Coal can now access paid parental leave in an important win fought for by unions.

BHP's parental leave policy said that as fixed term employees, apprentices and trainees were not eligible for paid parental leave.

The MEU, jointly with CEPU and the AMWU, lodged a dispute with the Fair Work Commission for an apprentice at Blackwater mine who had been denied paid parental leave. Unions argued that apprentices and trainees were eligible for paid parental leave because they are covered by the BMA Central Enterprise Agreement, which provides for paid parental leave.

In a settled agreement BHP Coal has agreed to extend paid parental leave to apprentices and trainees.

The matter was resolved by BHP agreeing to provide paid parental leave to existing

trainees and apprentices and recognise prior applications for leave entitlements that were rejected back to May 2018.

Blackwater Lodge Secretary Jenna Saunders said it was a great win.

“Men and women welcoming babies into the family shouldn't miss out on paid parental leave simply because they are trainees or apprentices. This decision will come as a relief for many young families. It's a win we are very proud of.”



# Chandler employees win first round in entitlements

Former permanent employees of Chandler at the Mount Arthur open cut coal mine in the Hunter Valley are celebrating a win after Chandler tried to get out of paying redundancies by claiming they helped them into new jobs.

In September 2021, Chandler lost the contract to Programmed to provide labour hire employees to Mt Arthur. Chandler had previously held the contract to provide labour hire employees to Mt Arthur for about seven years and employed hundreds of workers to fulfil the contractual requirements.

As a result of unsuccessfully tendering for the contract, Chandler terminated the employment of its employees working at the mine, by way of redundancy.

Prior to Chandler's contract winding up, the majority of employees successfully obtained employment at Mt Arthur with Programmed. In order to gain employment with Programmed, the employees attended information sessions, applied for positions online, provided documentation to support their applications, and attended interviews and medicals.

Chandler took the unusual step of applying to the Fair Work Commission for an order to reduce the redundancy pay it was required to pay its permanent employees to zero, on the basis it had obtained other acceptable employment for its employees with Programmed.

The Fair Work Act provides the Fair Work Commission with the power to reduce redundancy pay an employee is entitled to be paid, if the employer obtained other acceptable employment for the employee, or the employer cannot pay the amount.

Our Northern Mining and NSW Energy District challenged Chandler's application and seven of our members gave evidence to the Commission regarding the steps they took to be considered for a position with Programmed, their positions with Chandler, and whether they were successful in their job applications.

**As a result of our members' evidence, the Commission concluded that the evidence did not support a finding that actions by Chandler were the primary factor in the affected workers obtaining employment with Programmed.** In the case of one of our members, the Commission found that the work obtained was not acceptable under the terms of the Act due to a change from day work with Chandler to shift work with Programmed.

Based on the evidence, Chandler's application to reduce redundancy entitlements to zero under provisions in the Fair Work Act was dismissed.

Although Chandler are required to pay its workers redundancy pay, it has since filed an appeal in an attempt to have the initial decision overturned. To date, the appeal has not been determined.

**If the original decision in workers' favour is upheld, it may pave the way for the Mining and Energy Union to pursue entitlements for a larger group of former Chandler employees under the terms of the Enterprise Agreement.**

This is an important case for defending the rights of labour hire mineworkers, who are subjected to the constant uncertainty of mine operators' chopping and changing contract labour suppliers. Providing for workers' legal entitlements should be built into the costings of labour hire companies.

# BHP makes loads of money but has hissy fit about Queensland

**Peter Colley, National Research Director**



The world's biggest mining company has achieved stratospheric profits but is nevertheless whinging about having to pay higher royalty rates in Queensland. Iron ore continues to be the biggest money spinner for the company but coal contributed heavily to the bumper result.

The headline profit figure is US\$31 billion or close to A\$45 billion. (Note that BHP reports in US dollars and those figures will be used in this article.) This is boosted by the one-off figure of US\$7.1 billion from the demerger of its oil and gas assets, but even the underlying profit figure of US\$22.8 billion is huge.

The cash margins and percentage return on capital are mind-boggling across the remaining major business units of iron ore, copper and coal.

In Western Australia iron ore BHP reported US\$30.6 billion of revenue and EBITDA cash profits (Earnings Before Interest, Tax, Depreciation and Amortisation) of US\$21.8 billion. All on assets of US\$20.3 billion. The company claimed a profit margin of 71%!

In Australian coal the results were almost as good. BHP now reports "BMA" (BHP Mitsubishi Alliance) results now rather than "Queensland Coal" as it has sold the BMC (BHP Mitsui Coal) assets. In BMA the company reported US\$10.3 billion revenue and US\$6.3 billion of cash profits on assets of US\$7.8 billion. The cash profit margin claimed was 62%.

In the NSW Energy Coal (ie Mt Arthur mine) BHP reported US\$3.1 billion of revenue and US\$1.9 billion of cash profit on an asset that has a negative value on the books as it will be closed by 2030!

The cash margins per tonne of coal are huge. In BMA the company sold coal for an average price US\$347.10 per tonne, while its cost of production was US\$89.06 per tonne. At the Mt Arthur mine the comparable cash margin figures were a sale price of US\$216.78/tonne and a production cost of US\$70.80 per tonne.

The company does say that costs have risen and will continue to rise, but blames COVID-absenteeism, diesel and electricity costs rather than labour costs generally. In the transcript of company discussion with analysts, the Operation Services model (where the company uses wholly-owned subsidiaries to employ workers on much less than union EBA rates) is credited with the company keeping labour costs firmly under control.

The Samarco dam failure in Brazil continues to weight on the company – yet another billion dollars on top of many previous billions is set aside to pay for ongoing costs dating from the dam failure in late 2015. Mention is made of a US\$30 billion prosecution for which full provision has not been made.

The company should be given some credit by the community and its workforce for paying US\$10.5 billion of taxes – a claimed rate of 31.2% - and having zero fatalities for 3.5 years. Most mining companies do worse.

But there is no credit due for the hissy fit where it says “In light of the Queensland royalty announcement, BMA is reassessing future investment decisions and is unable to provide annual sustaining capital expenditure guidance

at this time.” The new Qld royalty rates only cut in at very high coal prices and are basically increasing the community return from the super-profits the company is making. The idea that the company won’t make sustaining expenditure in mines that are making loads of company is simply unbelievable. On the prospect of future mines, it is the long term future of coking coal in steelmaking that matters much more than the potential for paying high royalty rates on very high profits.

# Farewell Buka

## Message from the General Secretary, Grahame Kelly

This month, we farewelled our long-term National Legal Director Alex Bukarica. We’ll miss Alex’s guidance and experience, but he is leaving a strong legal team committed to defending members’ rights.

For 20 years Alex has led our union’s legal team and has been a mighty advocate for mining and energy workers.

In particular, he has driven our work fighting the ‘permanent casual’ rort through the courts. Alex initiated and developed the legal strategy leading up to the Workpac (Skene and Rossato) judgments which exposed the scam of long-term permanent labour hire miners being employed as casuals.

These decisions paved the way for our campaign for ‘Same Job Same Pay’ laws for labour hire workers, which the Labor Government has committed to introducing.

We thank Alex for his substantial contribution to the labour movement and we know that he’ll keep fighting for a fair go for working people in his new role as an adviser on industrial relations in the Prime Minister’s Office.

During his time with our union, Alex has been

a generous mentor to the next generation of union lawyers and he is leaving a dedicated and capable legal team in the National Office, led by our new National Legal Director Adam Walkaden.

Adam, along with the hard-working national legal team of Alister Kentish, Eliza Sarlos and Jack Patrick, work hard to provide the services members rely on, providing expert advice and support on bargaining, unfair dismissals and disputes.

Access to specialist legal advice and support if you have a problem at work is one of the most valuable benefits of belonging to the union. I’m very confident that with the legal team in our National Office and those based in our larger Districts, Mining and Energy Union members have the best possible team in their corner when it comes to protecting their jobs, rights and conditions.



Alex Bukarica pictured