

PREMIER COAL — ENTERPRISE BARGAINING AGREEMENT

535. Mr M.P. MURRAY to the Minister for Energy:

I refer to the Minister for Energy's \$50 million convertible loan to Premier Coal.

- (1) Does the minister support Premier Coal's proposed new enterprise agreement that will remove workers' conditions and reduce wages by approximately \$50 000 per year?
- (2) What actions will he take to assist workers impacted by this massive pay cut?

Dr M.D. NAHAN replied:

I thank the member for the question.

- (1)–(2) First, let me start with the renegotiated contract between Synergy and Premier Coal. That contract was struck during your period in government. They—Synergy—went out on the direction of government. Before that they were buying coal from two pits—two firms—and they decided to buy it from one. Premier Coal won the contract at a very low price. The member knows that. That price has really put a squeeze on the owners of that asset. They then sold it to Yancoal, which is owned by a Chinese business overseas. They came to Synergy and said we cannot make a quid under the current prices and they were going to shut down. What the member is implying is that we should have said shut it down. We did not. We entered into —

Several members interjected.

Dr M.D. NAHAN: We renegotiated the contract and improved it, as I have said in this place many times. We had an option in there to convert some of the uplift in price to convertible notes so that in the case of bankruptcy we would have some say in the redundancy and the insolvency. Otherwise, Synergy would be stuck. If it did go insolvent, we, the state, through Synergy, would be stuck with potentially hundreds of millions of dollars of liabilities in operating that deficient pit into the future. We secured the jobs and we safeguarded the state's interests and all we get from the Labor Party is whingeing. As to the enterprise bargaining agreement being negotiated, I do not know the origins of that, but I know that the Fair Work Commission is the arbitrator. That was set up under law by the Gillard government and to my knowledge has been unaltered by any subsequent Liberal government. It is between two parties—the unions, whichever they are, and a private business—in front of the neutral arbitrator adjudicating on information at hand. Is the Labor Party suggesting that we, a non-party to that, interfere in that? Is that what is being suggested? If it is, we will not do it. Premier Coal and the unions need to negotiate to get a fair, arbitrated outcome under the Fair Work Commission.