



21 July 2020

Mr Mike Henry
Chief Executive Officer
BHP Pty Ltd
171 Collins Street
MELBOURNE VIC 3000

Dear Mike,

Re: It's time to pay Operations Services Employees the same pay for the same work

On 13 July 2020, a majority of the Full Bench of the Fair Work Commission found - for the second time - that the proposed enterprise agreements to apply to Operations Services employees do not meet the minimum legal requirements of the *Fair Work Act 2009*.

The proposed agreements are deliberately substandard when compared to the other enterprise agreements applying to your Australian coal mining operations. On average, the proposed agreements provide for \$50,000 per annum less for Operations Services employees compared to other direct production or maintenance employees of BHP in the coal mining industry.

In your company public relations material extolling Operations Services, you often highlight your commitment to offer indigenous people and women opportunities to come into the coal mining industry. We think this is a laudable goal and we entirely support this objective.

However, it is a very strange way to show your appreciation and belief in the value of these workers by *deliberately paying them less to do the same job* as other production and maintenance employees on the same sites.

In fact, we could be forgiven for thinking that BHP's purported commitment to opportunity and diversity is nothing more than a cynical public relations exercise designed to obscure the unequal treatment of Operations Services employees.

However, there is a way to prove us wrong in this assessment.

BHP can start by recognising that the cost-cutting Operations Services strategy is inherently unfair to employees. In the long run, the Operations Services strategy is untenable because workers will always seek redress for unfairness in the workplace. The notion of *same pay, for the same work* has deep roots in Australian workplace culture.

The best way forward for BHP is to abandon this strategy based on first and second class wages and conditions. Instead, BHP should engage in proper negotiations with this union and other representatives with the aim of lifting the wages and conditions of Operations Services employees to the same level as their direct counterparts on BHP coal mines.

In particular, we think that Operations Services employees deserve the same wages as currently apply on BHP coal mines that have enterprise agreements that have already been negotiated by BHP. In other words, there is no need to recreate the wheel. The simplest and fairest approach would be for BHP to simply offer Operations Services employees employment under those existing enterprise agreements. After all, BHP freely negotiated these agreements and regarded them as fair and appropriate for the production and maintenance workers on those sites.

Why should Operations Services employees be treated less favourably for doing the same work on the same sites?

The purpose of this letter is to let you know that we are ready and able to assist in the process in obtaining equal treatment for Operations Services employees.

The ball is in your court.

Yours faithfully,



Tony Maher
General President
CFMEU Mining & Energy Division

Cc:
Mr Edgar Basto
President Minerals Australia