

AWU | Stakeholder Update – 8th August 2024

Dear Local Mayors & Stakeholders,

On behalf of our Northern District Secretary, Jim Wilson:

Dear Valued Stakeholders,

I am writing to update you on the ongoing negotiations regarding the Wilmar Sugar and Renewables (Wilmar) Enterprise Agreement.

Recent Fair Work Commission Conference with Commissioner Riordan:

On the 29th of July, 2024, the AWU, AMWU, and ETU (SBU) met with Wilmar Sugar and Renewables (Wilmar) to seek resolution to an almost 18-month negotiation in front of Commissioner Riordan. Unfortunately, Wilmar Sugar did not come prepared to discuss an alternative to their 14.25% offer over 4 years, which they are presenting as 3.5 years, we also didn't attend the meeting with an intention to meet their 14.25% offer.

Since October 2022, Wilmar has insisted that their 14.25% offer over 4 years is fair, reasonable, and sustainable, supported by data. However, when this data was presented to Commissioner Riordan, his recommendation indicated that a fair, reasonable, and sustainable offer would be 21.33% over 4 years. This highlights the ongoing dispute and underscores the struggles faced by our members and why it has taken this long.

During the conference, Wilmar claimed they might have to shut down a mill due to financial difficulties but failed to substantiate this claim or provide evidence. This is indicative of another fundamental issue with Wilmar.

I have included Commissioner Riordan's recommendation for your review.

The recommendation does not meet our initial expectations for wage increases and conditions, nor does it align with Wilmar's stance. However, our members find it to be a fair and reasonable proposal to conclude the negotiations and are willing to put it to a vote. Wilmar, on the other hand, has not responded to their workforce regarding the recommendation. According to a 'business update,' they acknowledged the commissioner's views but do not believe we are any closer to an agreement. This information was received from a third party, despite the Fair Work Commission's intervention being their idea.

What Does This Mean for the Industry?

Until Wilmar accepts the recommendation, we will continue to see industrial action and potential escalation. The resolution depends on Wilmar's acceptance of the recommendation and agreement to put it to a vote.

Context About Industrial Action:

It has been raised with us that Wilmar are fraudulently inflating data to suit its operations. Our members are engaging in a 1-hour stoppage once a week. Wilmar is inflating these stoppages by planning unnecessary maintenance during these times, making the disruptions appear more significant than they are. For example, a 1-hour stop is often extended by Wilmar's planned cleaning of the milling operations, which can take 4-6 hours on a good run. The actual impact of our industrial action is not as severe as portrayed by Wilmar.

Next Steps:

We are considering using a newly available process under the *Fair Work Act 2009* (Cth) called an intractable bargaining declaration. We will continue to negotiate in good faith as prescribed by Section 228 of the Fair Work Act 2009 if further meetings occur.

Kind regards,

Jim Wilson
Northern District Secretary
Queensland & NT

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