



**Collieries'
Staff and Officials
Association**

Staff at the Coalface

12 January 2015

AWARD FREE CONTRACTS - ENTER AT YOUR OWN RISK

What is an Award Free Contract?

A Guaranteed Annual Earnings (Award Free) can be offered to staff earning over the high income threshold of \$133,000 in return for giving up your long standing safety net of the Black Coal Mining Award.

The Black Coal Mining Award applies to most Staff in the Coal Mining Industry and legally guarantees key conditions like your industry 3 weeks per year of service on redundancy. The Black Coal Mining Award forms a solid foundation of your conditions – and only 'Award Free' contracts can demolish that foundation.

What's the risk of Award Free contracts?

The majority of Award Free contracts refer to Company policies for conditions such as redundancy or accident pay, with Company policy able to be amended at any time at the Company's discretion. So whilst when you sign up to an Award Free contract, the Company policy may have three weeks per year of service for redundancy, there is nothing stopping the Company changing the policy at any time to reduce or alter redundancy conditions, without your consent leaving you vulnerable.

Once you are on an Award Free contract you run the risk of your conditions being further undermined in the future.

What can go wrong?

Last year, Staff on Award Free contracts at Curragh were shocked when being made redundant to find that Curragh had changed its redundancy policy only a couple of weeks before redundancies were announced. Instead of three weeks per year of service, Staff received three weeks per year of service "capped" at 52 weeks, leaving Staff with over 17 years' service at Curragh significantly worse off.

In one case, two members working in the same position, both with 35 years' service were made redundant at the same time. The Staff member on an Award Free contract received 52 weeks capped redundancy, which was 53 weeks less pay than his colleague who was covered by the Award.

Improving safety, salaries and work lives.

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What can I do if I am offered an Award Free Contract?

You don't have to accept these Award free contracts. You should seek advice from your Staff Union if you or any of your colleagues are asked to sign any agreement that seeks to change your wages or conditions.

To prevent this, your colleagues at Wambo are working to secure their conditions collectively in an Enterprise Agreement, to ensure that any changes to their conditions in the future will need to be collectively negotiated, and cannot be undermined. An Enterprise Agreement is the best way to guarantee your coal mining industry conditions.

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