



MCA briefing note

MINING AND ENERGY UNION'S ATTEMPT TO EXPAND INTO PILBARA IRON ORE

March 2025

Background

In 2024, several unions with coverage of BHP iron ore workers utilised a new loophole created by the Albanese government's 2022 workplace relations legislation to force BHP into bargaining for a new collective agreement, without the need to demonstrate any support by employees for such action.

The three unions involved were the AMWU, ETU and AWU. They did not include the Mining and Energy Union. It had long been accepted that the MEU's rules do not give it coverage of iron ore production workers.

The MEU's attempt to gain coverage in iron ore

In December 2024, the MEU claimed that it was entitled to participate in bargaining with the other unions and demanded that BHP recognise it as a bargaining representative.

Under the *Fair Work Act*, a union is a 'default bargaining representative', who must be recognised by the employer, if its rules entitle it to represent any category of workers who will be covered by the proposed agreement.

BHP has not recognised the MEU as a 'default' representative due to the longstanding and broadly accepted approach its rules, which is that the rules, properly interpreted, do not extend to coverage of iron ore production workers.

The current Fair Work Commission proceeding

In February 2025, the MEU filed an application seeking 'good faith bargaining orders' against BHP that would require BHP to recognise the MEU as a bargaining representative. The MEU also wrote to the President of the Commission requesting that the application be heard by a Full Bench of the Commission, which the Commission has agreed to do.

The matter will now be heard by a Full Bench of the Commission in Perth in the week of 5 May.

The MEU is claiming that a reference in its rules to 'engine drivers' now entitles it to coverage of certain production technicians in iron ore operations.

This is despite the history of previous rulings by industrial tribunals that have not accepted this position and the fact that it has been generally accepted for many years – by both employers and unions – that the MEU does not have coverage. Such workers are instead covered by the AWU.

The AWU has indicated that it will be 'generally supportive' of the MEU's claim. This represents a significant change from the AWU's long-standing position, with potentially significant implications for the mining industry.

The MCA will be intervening in the proceeding to represent the interests of the mining industry more broadly.

The implications of the MEU's position

In a letter to the President of the Commission in February 2025, the MEU stated that '*any determination will have national implications*'. An expansion into iron ore by MEU would undo long-settled coverage arrangements in the iron ore sector and potentially entitle the MEU to expand into other sectors where it does not have a presence, such as gold mining.

The MEU has boasted of its goal to 're-unionise the Pilbara'. In its view, this would mean bringing the combative and confrontational approach associated with coal mining in the Eastern states to iron ore in Western Australia.

It is not in anyone's interests, least of all iron ore workers themselves, to return to the days of demarcation disputes over union coverage. Nor is it in anyone's interests to undo settled industrial arrangements that have been accepted by all parties for decades.