BUSINESS MANAGEMENT UNIT 3

Unit 3, Outcome 2 assessment task: case study and structured questions

**QUESTIONS**

Read the following case study and answer the questions below.

Glencore Australia employs approximately 15 600 people in its mining and agriculture departments. It has 24 mines across three states and the Northern Territory and its coal is used in steelmaking. Glencore’s steel is exported to countries including Asia, North Africa, Europe and South America.

Almost nine months ago Glencore banned union members from its Oaky mine in Queensland, resulting in a lockout for 190 workers. This lockout is likely to continue as attempts to end the labour dispute with the Construction, Forestry, Mining and Energy Union (CFMEU) have failed. The dispute is over wages, working conditions and Glencore’s hiring practices.

While the lockout continues, the mine is being operated by non-union staff and contractors who started work in June 2017. A spokesperson for Glencore said that the employment of these people had not adversely affected production.

Over this time little progress has been made in determining a new enterprise work agreement between Glencore and the CFMEU. In fact, there has been little progress since the last agreement expired in mid–2015. This is despite the fact that as at November 2017 both parties had met on 23 occasions to try to resolve the dispute. In addition, even the involvement of the Fair Work Commission as mediator did little to bring the parties closer together; however, the Commission is still acting as mediator. A spokesperson for the CFMEU said that the union is determined to fight Glencore until its requests are met.

At the negotiating table, Glencore is proposing to increase wage rates, making the average annual salary approximately $180 000 over the duration of a new enterprise bargaining agreement. On the other hand, the CMFEU has offered some concessions to its demands regarding workplace representation and the resolution of workplace disputes.

References: *Our operations*, Glencore Australia, <http://www.glencore.com.au/en/who-we-are/glencore-in-australia/Pages/our-operations.aspx>, and *Glencore extends lockout at Australia coal mine as talks stall again*, Financial Review, 8 November 2017, <http://www.afr.com/news/glencore-extends-lockout-at-australia-coal-mine-as-talks-stall-again-20171108-gzhj09>

Question 4 (3 marks)

a. Describe the role of a human resource manager. 1 mark

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b. Provide **two** examples of how a human resource manager at Glencore could assist in resolving this dispute. 2 marks

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Question 5 (3 marks)

a. Outline **two** key roles of the Fair Work Commission, other than conducting mediation.

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b. Suggest **one** reason why mediation has not yet been successful at Glencore. 1 mark

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Question 7 (4 marks)

Distinguish between the processes of mediation and arbitration in resolving workplace disputes.

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Question 7 (2 marks)

List and explain 2 industrial actions (other than Strike) the Union could take during their negotiation period with Parmalat.

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Question 10 (8 marks)

Evaluate the effectiveness of using awards and agreements as methods of determining wages and conditions at Glencore.

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