

## **The MUA's response to Productivity Commission (comments both from National Secretary Paddy Crumlin and WA Branch Secretary Will Tracey)**

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### **Paddy Crumlin, National Secretary Maritime Union of Australia states –**

'The Productivity Commission has made more than ten findings which are critical of management, port company owners and the former federal government but once again, workers are bearing the brunt of criticism in the media from the inept managers who share responsibility for Australia's port productivity woes.

'The real story is the chronic institutional failure of management, capital and government to avert the Australian supply chain crisis through a combination of corporate negligence and political hubris.

'In the case of Svitser, this was done in concert with a parent company, Maersk, which posted a \$22bn profit last financial year off the back of global supply chain problems which it helped to develop through cartel conduct and abuse of their international market power.

'These corporate rent-seekers continue to perpetuate overblown, outdated and unsubstantiated myths about their own workforce in an attempt to garner sympathy ahead of what we can only assume will be another round of militant employer misconduct during the bargaining period for future agreements.

'These same employers obfuscated and delayed during bargaining for a period of over two years, including in one notorious case seeking at the last minute to throw workers back on the Award.

'For them to now blame their workforce when the evidence of their commercial and economic vandalism was plain for all to see is just laughable.'

### **Will Tracey, Secretary of the MUA WA Branch responded in a lengthy analysis of the interim report observing among other things that –**

'Scott Morrison and the Liberals tasked the Productivity Commission with blaming Australia's supply chain crisis on the MUA as a smokescreen for their own long-term failures and neglect. 'Maritime workers are regularly the subject of highly politicised attacks in the media by the Liberals but the reality of working on the waterfront doesn't match the lies spun by Scott Morrison or Peter Dutton.'

'Our maritime logistics system is hampered by long-term failures to invest in transport infrastructure beyond our seaports and by the international shipping cartels' rampant price gouging and timetable manipulation.'

‘Businesses and consumers are paying twice for the failures of the former Liberal Government; through spiralling freight prices and massive delays caused by infrastructure congestion that has nothing to do with stevedoring workers at our ports.’

‘The impact of waterfront workers demanding fair pay, safety at work and job security is inconsequential compared to international shipping price rises of up to 1000% and almost a decade of underinvestment in road and rail infrastructure between our seaports and our domestic supply chains.’

‘Long term productivity gains have been delivered by the workforce consistently over the past 20 years.’

‘Australia has the fastest dry bulk loading in the world – and said that at 48 tons per minute it is almost double the speed of the nearest competitors Columbia (28 tons per minute) and Brazil (25 tons per minute).’

‘Expert advice from organisations such as the Centre for Supply Chain and Logistics at Deakin University has identified the expansion of Australian flagged and crewed cargo vessels as crucial to improving Australia’s supply chain resilience and performance.’

‘The greatest contributor to international freight price increases and delays in the international supply chain is the cartel conduct of international shipping lines which operate with legislative exemption from the Australian Consumer and Competition Act (Part X exemption).’

‘In recent years, the price of shipping a container around the globe has increased by 700% – 1000% as international shipping cartels leapt on the unique conditions during COVID to extract maximum profit.’

‘Mr Tracey also sought to dispel what he labelled as ‘misinformation about maritime workers,’ to be found in the Interim Report, saying that

- Australian ports are not poor performers
- Labour productivity in ports has increased dramatically
- MUA agreements provide for highly flexible labour allocation
- Australian ports have good safety practices.’

‘As to the question of Australian ports being poor performers, Mr Tracey was at pains to point to the submission of Deakin University to the ProdComms inquiry that “World Bank Logistics Performance Index have sample and methodological issues that limit their use or do not factor in the characteristics of the Australian market.” This is because:

- the ranking doesn’t account for the fact that larger ports service larger vessels with more cargo. Taking this into account, Australian ports sit at the middle of the ranking, which partly reflects their role as gateway rather than transshipment ports. As a result, the best ranked port in Australia is Bell Bay, and small ports like Port Moresby and Noumea also rank quite high.
  - Deakin University conclude that ‘Australian ports are relatively efficient when compared with similar international ports’.
  - The World Bank ranking is based on measuring the time from when a vessel arrives at the outer port limit to the time it departs its berth. This includes 5 separate steps, which include: waiting time at anchor, time for pilot vessels, tugboats, customs clearance, steaming into port, attaching lines, installing gangway, getting approval to load/discharge, conducting safety inspections, completing vessel repairs, powering engine down and then up, securing vessel supplies, and arranging for crew to go ashore and return.
- The work carried out by MUA members loading and discharging containers is only one part of this whole set of complex operations.
- There is no causal link between these rankings and clauses in Enterprise Agreements for stevedoring workers.