

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Budget Estimates 2014-2015

#### Outcome 2 - Workplace Relations & Economic Strategy

Department of Employment Question No. EM0791\_15

Senator McKenzie provided in writing.

#### Question

##### Port Hedland Industrial Dispute

- Can the Department provide details of the economic and public impact of any industrial disputation at Port Hedland?
- Is the Department aware of any potential industrial disputation that may occur?

#### Answer

- The department notes that according to public statements made by the Port Hedland Port Authority and the main users of the port, the estimated economic impact if industrial action were to occur at Port Hedland would be \$100 million per day.
- The department further notes reports published on the *West Australian* website indicating that industrial action at Port Hedland could cost the Western Australian Government in excess of \$7 million per day in lost royalties.
- Port Hedland is the world's largest bulk commodity export terminal and Australia's largest port by annual throughput. Port Hedland's iron ore exports account for around half of Australia's total iron ore exports. Iron ore accounts for around 98 per cent of total cargo shipped from Port Hedland.
- Australia is the world's largest exporter of iron ore, accounting for around 50 per cent of world iron ore trade in 2012-13. Exports of iron ore accounted for 3.8 per cent of Australia's nominal Gross Domestic Product and around 20 per cent of Australia's total exports in 2012-13.
- Each of the maritime unions involved in current enterprise bargaining negotiations with Teekay Shipping (Australia) have had Protected Action Ballots declared by the Australian Electoral Commission authorising protected industrial action.
  - The Maritime Union of Australia ballot was declared on 12 May 2014 with a valid majority of employees approving 24 hour, 48 hour and 7 day stoppages of work.
  - The Australian Maritime Officers' Union ballot was declared on 30 May 2014 with a valid majority of employees approving 2, 4, 6, 12, 24, 48 and 72 hour stoppages of work, and bans on work being performed during periods of leave.
  - The Australian Institute of Marine Power Engineers ballot was declared on 10 June 2014 with a valid majority of employees approving 4, 8, 12, 24 and 48 hour stoppages of work.
- On 16 June 2014 the Fair Work Commission granted a second Protected Action Ballot Order to the Maritime Union of Australia. The forms of action sought in this ballot include 2, 4, 6, and 12 hour stoppages, and a ban on the carrying of phones.

- The unions must provide at least three working days' notice before employees can take protected industrial action.
- Following the declaration of a Protected Action Ballot, employees have 30 days in which to commence protected industrial action. If protected action does not commence within 30 days, the Fair Work Commission may extend that period by up to a further 30 days.