

MARITIME UNION OF AUSTRALIA (MUA)

**SUBMISSION TO SENATE EMPLOYMENT,
WORKPLACE RELATIONS AND EDUCATION
COMMITTEE**

**INQUIRY INTO WORKFORCE CHALLENGES IN
THE TRANSPORT INDUSTRY**

NOVEMBER 2006

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1. Introduction

- 1.1 The Maritime Union of Australia (MUA) represents over 11,000 workers in the shipping, stevedoring, port services, hydrocarbons and diving sectors of the Australian maritime industry.
- 1.2 Members of the MUA work in a range of occupations in all facets of the maritime transport sector including on coastal cargo vessels (dry bulk cargo, liquid bulk cargo, refrigerated cargo, project cargo, container cargo, general cargo) as well as passenger vessels, towage vessels, ferries, cruise ships and dredges. In the offshore oil and gas industry, MUA members work in a variety of occupations in vessels which support offshore oil and gas exploration eg seismic vessels; in offshore oil and gas construction projects including pipe-layers, cable-layers, rock-dumpers, dredges, accommodation vessels, support vessels; and during offshore oil and gas production, on drilling rigs, Floating Production Storage and Offtake tankers (FPSOs), FSOs, support vessels. MUA members work on vessels engaged in international LNG transportation.
- 1.3 In relation to stevedoring, the MUA covers employees engaged in a variety of occupations associated with the tying up/letting go, loading, unloading and lashing of vessels entering and exiting Australian ports.
- 1.4 Occupations covered by the MUA constitute a vital link in the Australian transport and logistics chain. There are a number of important challenges facing the workforce in the sections of the transport chain covered by the MUA.
- 1.5 In this context we welcome the opportunity to present a submission to this Inquiry. We look forward to the opportunity to present additional material during the public hearings stage of the inquiry.

2. Executive summary

- 2.1 Australia's maritime industries are continuing to expand in response to:
 - Growing container trade, particularly imports;
 - Growth in the export of bulk commodities, including Liquefied Natural Gas (LNG);
 - Growth in offshore oil and gas exploration, construction, production and transportation;
 - Growth in importation of clean petroleum products;
 - The increasing attractiveness of shipping as a transport mode in the transport chain, on some routes and for some product types, due to its competitiveness, its high fluke efficiency and low emission of greenhouse gases (on a tonne/kilometre basis).

2.2 The net result is that there is a corresponding growth in the shipping task and the stevedoring task, including employment growth. An illustration of employment growth among Australian seafarers (engaged on vessels involved in interstate and international voyages that are covered by the National Seacare workers' compensation scheme) is included in Table 1, extracted from the Seacare Authority Annual Report 2005-06. This shows a growth in seafarers of 55% over the last 5 years, or an average annual growth rate of 11%.

Table 1: Illustration of the growth in Australian seafarers 2001-02 to 2005-06

TABLE 8: SEACARE SCHEME – EMPLOYEE NUMBERS AND HOURS WORKED UNDER SEAFARERS ACT 2001-02 TO 2005-06

Employee (seafarer) numbers and hours worked	2001-02	2002-03	2003-04	2004-05	2005-06
Employees (head count)	3,152	3,355	3,933	4,260	4,912
Full Time Equivalent (FTE) Employee value	3,000	3,173	3,241	3,459	3,670
Hours worked	6,529,685	7,255,196	14,070,584	15,016,800	15,895,012

Source: Seacare Authority

2.3 This growth in employment is largely attributable to growth in the demand for seafaring labour in the offshore oil and gas sector, while the blue water sector is languishing due to a raft of regressive policy settings adopted by the Federal Government. There are three aspects to these regressive policy settings:

- The administration of Australia's already weak cabotage laws which are being further weakened through misuse of the coastal permit system;
- Disincentives to investment in Australian shipping; and
- Discriminatory income taxation law and practice.

2.4 The net result is that since 1996 the number of Australian registered trading ships has declined by 31.8%. In addition there has been a corresponding the decline of 34.7% in the dead weight tonnage (DWT) of the Australian fleet.

2.5 Within this context, there are a number of major workforce challenges in the maritime sector of the Australian transport industry. The key challenges are:

- An emerging seafarer labour shortage, particularly to service the growth in the offshore oil and gas industry;
- Uncertainty about the future of TDT Australia, the Industry Skills Council, which is a lynchpin in addressing supply side deficits in responding to the emerging labour shortage;
- A misapplication of the 457 visa program;
- The exclusivity of the policy objectives of the COAG human capital and competition policy agenda – which are not addressing declining productivity;
- Uncertainty about the future of the Seacare scheme - the national regulator of workers' compensation and OHS in the shipping industry;
- Addressing the gender imbalance in the maritime workforce;

- The lack of attention to positive employee attraction and retention strategies.

2.6 Each of these matters is addressed in the following sections of this submission.

3. Background to the shipping and stevedoring sectors

Maritime transport demand

3.1 A study undertaken for the Australian Shipowners Association (ASA) by the Apelbaum Consulting Group entitled *Australian Maritime Transport 2005*, published in March 2006, provides the following overview of the Australian shipping task:

- World seaborne trade grew by 4.3 per cent to 6.8 billion gross weight tonnes in 2003/04, the third highest annual increase since 1997/98. Australia's share of the world seaborne trade declined marginally to 9.2 per cent in 2003/04.
- Australia's international seaborne trade grew substantially in 2004/05 to 680.6 million tonnes reflecting an annual growth rate of 9.3 per cent (the largest annual growth rate since 1997/98).
- Forecasts for world commodity demand and Australia's increasing reliance on oil and other imports are projected to increase Australia's annual external maritime trade by 448.0 million tonnes or 72.0 per cent to 1,070.5 million tonnes by 2013/14.
- Australia's interstate and intrastate sea freight trade grew by 1.1 per cent to 53.2 million tonnes in 2003/04. A 1.1 per cent increase in average distance coupled with trade growth increased the interstate and intrastate maritime task by 2.3 per cent to 117.5 billion tonne-kilometres in 2003/04.
- Estimates of the likely production of key commodities and shipping patterns suggest that the annual domestic shipping task may grow by an additional 31.3 billion tonne-kilometres or 26.6 per cent to 148.8 billion tonne-kilometres by 2013/14.

3.2 Another study commissioned by the Australian Petroleum Production and Exploration Association (APPEA) entitled *Australia's Upstream Oil and Gas Industry: A Platform for Prosperity*, published in May 2006 concludes that in relation to Liquefied Natural Gas (LNG) projects already planned will require another 20 to 30 LNG tankers to meet the transportation demand.

3.3 In addition there are two major shipping studies under way. One is commissioned by the Australian Maritime Group, a body of Commonwealth and State officials which reports to the Australian Transport Council (Commonwealth and State Transport Ministers) being undertaken by Meyrick and Associates due for completion by about March 2007, and a second commission by the MUA, being undertaken by The National Institute of Economic and Industry Research due for completion in February 2007.

3.4 The MUA commissioned study aims to identify opportunities for growth in Australian coastal shipping and to identify the policy settings that would

encourage investment in Australian shipping. This study will be made available to the Committee on its release.

- 3.5 In net terms, Australia currently relies on imports for 17% of overall petrol consumption but by 2020, the Australian Bureau of Agricultural and Resource Economics estimates the figure will rise to 46%. Other industry analysts think this view is optimistic, with the Australian Petroleum Production and Exploration Association saying our oil import dependency will rise to 78% over the next ten years. Even on the lower estimates, this means a huge increase in the shipping task required to import clean petroleum products into Australia.
- 3.6 An important issue which will impact on the current and future workforce is the extent to which there will be an Australian component to this shipping task, be it in the bulk import and or coastal distribution of clean petroleum product.

Regressive maritime transport policy settings

- 3.7 The MUA believes that Federal Government policy settings are denying Australian businesses and Australian workers the opportunity to fully participate in this maritime transport growth. There are three aspects to Federal Government policy which we believe are damaging Australian opportunities in maritime transport. First, the weak maritime cabotage law and practice. Second, the lack of support for investment in Australian shipping. Third, discriminatory income taxation law and practice.

Cabotage law and practice

- 3.8 Current Federal Government policy and practice in relation to coastal shipping weakens an already weak Australian maritime cabotage regime. This is achieved by encouraging Australian shippers (exporters) to maximise the use of the coastal permit system by using foreign flagged vessels, many of which are Flag of Convenience vessels.
- 3.9 We say that Australia's cabotage laws are weak because unlike the cabotage laws of many other nations such as the USA, they do not require vessels trading on the Australian coast to be Australian flagged, nor do they require such vessels to carry Australian seafarers. There is no requirement for such vessels to be Australian built.
- 3.10 All the Navigation Act (Part VI) requires is that vessels trading interstate on the Australian coast be either: (i) licenced; or (ii) have a coasting trade permit. For a vessel to be licenced, it must only pay Australian wages. In practice most licenced vessels are Australian flagged (registered under the *Shipping Registration Act 1981*), engage Australian seafarers and meet Australian industrial standards e.g. conform with industry collective agreements and conform with national OHS and workers' compensation laws (Seacare) as well as with marine safety standards under the Navigation Act.
- 3.11 The net result of current Government administration of cabotage policy and practice is that the Australian coastal zone is effectively annexed from Australian sovereignty such that Australian law does not apply in the Australian coastal zone, even in Australian territorial waters. This allows vessels to trade along the Australian coast completely exempt from Australian

industrial laws including workers' compensation and OHS laws, exempt from aspects of taxation law and Customs law, exempt from Immigration law and exempt from ship safety and environmental law.

- 3.12 It is the view of the MUA that Australian sovereignty must apply over the coastal zone, meaning Australian laws must apply to ensure fair competition and to ensure compliance with Australia's obligations under International treaties.

Investment in Australian shipping

- 3.13 Federal Government policy provides no support or incentives for investment in Australian shipping. The net result on the Federal Government policy settings are that since 1996, there has been a major decline in Australian shipping as exemplified by the following data:

- There has been a decline from 66 to 45 Australian registered trading vessels:
 - A loss of 21 ships or a decline of 31.8%.
- There has been an increase in foreign registration of Australian ships, from 5 to 9:
 - An increase of 4 ships or an 80% increase in foreign registration.
- There has been a decline from 71 to 54 in the total number of Australian trading ships (some ships in the trading fleet are foreign registered):
 - A decrease of 17 ships or 23.9% in the size of the Australian fleet.
- There has been a corresponding decline in deadweight tonnage (DWT – broadly, the measure of the weight that a vessel can carry) from 3.28million DWT to 2.14M DWT:
 - This represents a decline of 34.7% in the DWT of the Australian fleet.

Discriminatory income taxation law and practice

- 3.14 The income tax arrangements for Australian resident seafarers engaged in the international trades, whereby they are unable to claim that the income was earned overseas, is an anomaly and is discriminatory. The net effect is that it acts as a disincentive for Australian seafarers to pursue opportunities in international shipping, and means that Australian seafarers are priced out of the market.
- 3.15 The current anomaly works against employment opportunities for skilled Australian seafarers who are widely respected and in high demand in the global shipping industry eg in the LNG trade.
- 3.16 The current tax arrangements for Australian residents in general earning income overseas were introduced in the context of globalisation, which resulted in more Australian residents being employed overseas for various periods. While they do not provide for an overall exemption from taxation they

are a means of avoiding double taxation. The requirement is that the earnings must be earned in a foreign country. On this definition, seafarers on the high seas, where their earnings are primarily earned in international waters, are not eligible.

- 3.17 Notwithstanding these macro level disincentives and regressive policy settings, there remains a robust and dedicated Australian maritime workforce that face many challenges. We now turn to the most pressing of those challenges.

4. Emerging seafarer labour shortages

4.1 There is a consensus among all the recognised international shipping industry bodies such as the International Chamber of Shipping/International Shipping Federation and International Transport Workers Federation that there is currently a global shortage of seafarers. The shortage is most acute among officers and engineers, and while there is some debate on the issue of labour supply for ratings, there is also a consensus that ratings with appropriate qualifications are in short supply.

4.2 There is also a consensus that even if more workers can be attracted to seafaring, the bottleneck in supply will occur in training, particularly given the sea time that is an essential part of the training.

4.3 The strong demand for seafarers in the Australian offshore oil and gas industry over the past 3-5 years has resulted in a tightening of supply and a drain of seafarers from the blue water sector to the offshore sector. This has meant that both the blue water and offshore sectors have faced some short term supply deficits in recent times.

4.4 These supply side factors, when combined with demand side factors such as:

- New incentives for oil and gas exploration;
- High world prices for energy commodities;
- Growth of Australia's LNG industry due to high world demand for cleaner energy and our developing LNG expertise; and
- The global focus on energy security:

is resulting in an Australian consensus among employers, industry associations and unions that a critical seafarer labour shortage is emerging, and that the issue requires immediate attention if there is to remain stability in the price of labour and an orderly approach to development of Australia's energy resources.

4.5 There are a number of unique factors that need to be considered in attracting and training seafarers. First, the qualifications required as part of the training necessitate the trainee gaining sea time in order to achieve a qualification that will enable them to be employed. Given the nature of shipping, there are capacity limitations on the availability of places to obtain sea time.

4.6 Second, seafaring is essentially a non transferable set of skills, which means that when there is a lack of demand for labour, seafarers go without work. They cannot transfer to manufacturing or other sections of the transport

industry or to mining etc. This means that labour attraction and training strategies need to recognise that gearing up to meet peak demand means there will either be unemployment as peak demand tapers off or there will be a need for retraining. Alternatively, there needs to be some form of orderly bilateral Government to Government or industry managed exchange programs that seek to cater for more than one labour market when embarking on seafarer training.

- 4.7 These are issues which are currently being addressed by sections of the industry with foresight and who are prepared to adopt strategic approaches to addressing labour market issues.

5. Uncertainty over TDT Australia, the Industry Skills Council

- 5.1 The MUA is concerned about the uncertainty over the future capacity of TDT Australia, the transport industry Skills Council, to continue to function and to perform the vital role it has performed over recent years. This uncertainty derives from lack of clarity of the Federal Government's ongoing financial support for skills councils. We see the Skills Council as having three key roles:

- To provide industry intelligence to the Vocational Education and Training sector about current and future skill needs and training requirements;
- To support the development, implementation and continuous improvement of quality nationally recognised training products and services, including Training Packages.
- To provide Industry with a strong voice in Australia's vocational education and training system through being part of a national system of industry advisory arrangements.

- 5.2 The MUA is a strong supporter of the competency based training system and of the Training Package concept which has served the maritime sector well in recent years. An indicator of the success of the training arrangements for the maritime sectors is responsiveness of the key maritime training institutions – Challenger TAFE in WA, Newcastle TAFE and the Australian Maritime College – to changes in industry needs.

- 5.3 The MUA is concerned at the apparent advice which Minister Hardgrave must have received to lead him indicate in his media release of 10 November 2006 that:

“My Department’s review of Industry Skills Councils identified that two were performing poorly – the Transport and Logistics and the ElectroComms and Energy Utilities Councils. I will be taking immediate steps to address their current poor performance by establishing clear performance expectations, with an understanding that if performance is not significantly improved in the months ahead their declarations will be removed and their government-funded functions redirected,” Mr Hardgrave said.

“It will be important to discuss proposed changes with all players in the system, including the industry and employer groups, States and Territories and the Skills Councils themselves.

5.4 The MUA is unaware of any issue in relation to maritime skills training that would lead the Minister to that conclusion. This continuing uncertainty is draining energy away from the major task of ensuring that there are sufficient highly trained and qualified seafarers to meet future labour demands.

6. Misapplication of the 457 visa program

6.1 The MUA is concerned about the widespread misapplication of the 457 visa process which appears to be resulting in employers turning to the 457 visa process to obtain foreign labour to meet alleged labour demand requirements when there are in many cases more appropriate supply side responses.

6.2 The MUA believes that temporary skilled or unskilled migration is a narrowly focussed and short sighted approach to a problem that requires a broad based, long term solution. Should genuine skilled labour shortages exist, temporary skilled migration may be an appropriate short-term solution whilst a skills replacement programs is put in place to overcome the identified shortages on an on-going basis. In such cases the temporary skilled migration should be used to transfer skills and knowledge to Australian workers.

6.3 Generally, we do not regard increases in temporary skilled migration as improving the skills profile of the Australian workforce and do not add to the stock of skills within Australia. This is our experience in relation to the use of 457 visas which were used to replace an Australian marine crew on an aquaculture vessel, the *Destiny Queen*, operating as an abalone farm in the Spencer Gulf off South Australia.

6.4 The MUA believes that the current and future skills needs of Australia can be best met through a strategic and joint approach to:

- skill development including increased investment in training, support for higher level qualifications, support for training and retraining of existing workers and support for broad based qualifications;
- effective labour market planning and forecasting; and
- the use of permanent migration.

6.5 In the MUA response to the APPEA discussion paper referred to in Paragraph 7 above, we made the point that one of the key factors in determining industry sustainability, which the Issues Paper has correctly identified as an important issue, is the capacity of the Australian labour market to supply the labour, at a sustainable price, that will be required at each of the phases of each of the new oil and gas projects that could potentially emerge over the timescale of the APPEA strategy period i.e. over the next 20 or so years.

6.6 We emphasised three key points. First, we believe the industry has a primary obligation to maximise Australian labour force participation in Australian projects, and by deduction, minimise the use of foreign labour. We accept that there will always be a need for some foreign labour in this industry – for

specialist skills, for technology transfer reasons, to meet unforeseen peak demands or contingencies. However, the industry, notwithstanding the heavy participation by non-Australian companies, must commit to an Australians first policy and practice.

- 6.7 Second, we put the view that despite public statements and perhaps even a genuine belief that training and up-skilling Australians is a desirable policy goal, history has shown that too often the rhetoric is not matched by the practice. We cannot accept that with the long lead times involved from exploration, to construction, to production and then transportation, that better planning and a degree of inter-industry cooperation for workforce needs in the offshore oil and gas industry cannot be achieved so that the required labour (in both quantitative and qualitative terms) is available as required and to the standard required.
- 6.8 Such planning and inter-industry cooperation should not in any way impact on commercial outcomes of individual companies. In fact, we say the reverse is likely to be true – that better long term planning and inter-industry cooperation on start-up times for particular project phases is likely to take the pressure off competition for labour and importantly, will take pressure off the price of labour.
- 6.9 Third, and contrary to popular belief, trade unions and workers recognise that forcing up the price of labour on a short term basis can be illusory in terms of income security and job security, and ultimately, net gains for workers, where life-long approaches to wealth generation by wage and salary earners is better served by stability in both employment and income over the employment life cycle. We therefore have no interest in jeopardising long term sustainable development by short term exploitation of a particular labour market. However, restraint on the part of workers and unions must be accompanied by visible actions on the part of employers to investment in training and workforce development, and to cooperative labour relations.
- 6.10 In this context we trust that the industry employers will take a long term view and engage with the unions to reach agreement on long term sustainable approaches to addressing labour market issues – supply, quality and price.
- 6.11 While the MUA's primary focus is on Australia and the Australian labour market, we take an international outlook and in that context strongly believe that Australia, as a wealthy developed nation, along with the multi-national companies that have been awarded exploration rights, have a responsibility to assist the nation building efforts of our developing nation neighbours. We see this as a human rights issue and consistent with the "decent work" principles being promoted by the International Labour Organisation.
- 6.12 Given the joint interests that Australia has in oil and gas projects with Timor Leste and Papua New Guinea (PNG), we believe that those representing capital and those representing labour need to be working in harmony with our Timor Leste and PNG counterparts to find ways to involve the citizens of those nations in training, skills formation, work experience and employment as part of our commitment to regional nation building and as a contribution to regional economic and political stability and security.

6.13 While we recognise that some oil and gas companies are committed to such an objective, the record across the board is variable, with some companies exhibiting a less than satisfactory human rights record in the region, and an apparent preparedness to ignore Australian values in their labour relations strategies.

7. The exclusivity of the policy objectives emanating from COAG – human capital and competition policy

7.1 The MUA is and will continue to be a significant participant in labour market and labour force developments in the Australian maritime industry. We have a major contribution to make in terms of labour productivity and labour market efficiency and in helping ensure labour stability. In that context we believe the exclusivity of the COAG agenda, whereby the representatives of labour are completely excluded from participation is counter productive and short sighted.

7.2 We are also concerned at the apparent unilateral nature of decision making whereby even the States and Territories appear to be sidelined in the consultative processes and in the identification of solutions to significant national problems surrounding the operation of the labour market and the application of rules to competition policy.

7.3 We also believe that the 11 priorities for improving so called human capital are misplaced if the objective is to increase productivity. That is not to say that each priority is not a worthy objective in its own right. However, we do not believe that individually or collectively they are the right priorities to deliver improved productivity.

7.4 We note that the Reserve Bank Governor has recently pointed to a stagnation in Australia's productivity performance. At a time of high corporate profitability and strong demand for highly skilled labour this should be of critical concern to policy makers.

7.5 We believe that the weakness in the so called human capital agenda is that it fails to address the fundamentals of improved productivity, which centre around innovation, astute use of technology and particularly smart integration of technologies that help labour and capital better coalesce at the point of production, labour and capital harmonization with an acknowledgement that labour productivity has been the key contributor to Australia's multi-factor productive performance over recent years. This requires an acknowledgement of the major contribution which workers, with the direct involvement of their representatives, the trade unions, have made to Australia's current strong economic position.

7.6 Policies that seek to undermine job and income security, particularly through processes that enable competition around wages and conditions of employment, such as hours of work, in the name of flexibility, and which erode fundamental democratic rights are destined to result in a lower productivity future.

7.7 Employers with integrity and with a long term commitment to their business or their industry are rejecting short sighted, exclusive policies and are adopting long term inclusive processes to build their businesses in cooperation with

their labour force aimed at deepening their involvement in international transport supply chains.

Inappropriate competition policy – damaging Australia’s capacity to compete in international transport and logistics

7.8 The MUA strongly supports the expansion of Australian ports to meet our future import and export requirements. We believe that an orderly and strategic approach to increasing port capacity must be based on:

- Maintaining stability of Australia’s import and export capability, requiring the involvement of reputable investors and corporate managers who have a strong track record in port operations and who can be relied upon to make a long term commitment to this key national infrastructure;
- The key stakeholders in port operations continuing to work together to improve labour and overall port productivity;
- The involvement of operators who have a demonstrated commitment to improving port and maritime security given the large national effort already made in this area; and
- The need to ensure that workforce development and workforce capability keeps pace with technological developments and that strong and productive labour relations that are a characteristic of Australian port operations over the last decade are not fractured, but are genuinely strengthened.

7.9 We note with considerable interest developments in the port sector in some other nations, whereby Governments are taking a lead role in coordination, consolidation and aggregation of their port operations aimed at improving their nation’s capability to operate in a global competitive ports (freight and logistics) marketplace.

7.10 Developments in the UK, where a Government review of port operations is underway, aiming at giving all stakeholders the opportunity to contribute to a blueprint for the future of UK ports; developments in Dubai where its port operations are being consolidated to better position itself in the emerging global hub and spokes trade flows; and in Indonesia, where the Government has announced plans to take a more long term a strategic approach to the development of its key container ports, are all examples of a comprehensive and integrated approach being adopted by Governments.

7.11 While there is widespread support for the principles of competition, we say that competition must be fair and balanced – and be based on adoption of, or maintenance/improvement of, core labour standards. What is not supported are competition strategies that require for their success, competition around wages and conditions of employment among the workforce, or across the workforce:

- It is important to indicate that the structure of maritime industry enterprise agreements for the Australian stevedoring sector ensures that there is labour cost consistency across the nation, thereby maintaining a floor

which dampens inter-port wages competition, which would be destructive for the entire ports sector, and if allowed to occur would disrupt State Government strategies for their ports.

- 7.12 Australia's apparent obsession with domestic competition, particularly with intra-port competition, and with the one size fits all model, seems to be pushing towards disaggregation of capital and towards a weakening of our position in the global shipping and port marketplace, rather than the strategic and global outlook being adopted by other nations.
- 7.13 Current policy approaches suggests that decision making is too parochial and is contrary to the national interest. And downstream, it is yet another impediment to investment in an Australian shipping industry.
- 7.14 The COAG competition policy agenda appears to have placed the States in the destructive position of encouraging new stevedoring entrants to ward off the ACCC and to avoid falling foul of the Trade Practices Act.
- 7.15 There is wide concern within the stevedoring and Australian logistics sector that the arguments being mounted for new stevedoring entrants are based on a false premise about competition. First, there is nothing inherently anti-competitive in only two players in a market, particularly one characterised by high capital costs, high entry costs and high maintenance costs, and the need to plan for overcapacity to meet the peaks and troughs of port calls. There are a range of sectors where duopolies exist eg airlines, and where competition remains intense. In relation to rail, it is noted that Pacific National has an 80% share of the inter capital city market – a situation approved by the ACCC.
- 7.16 Second, a larger number of players competing for what is still a relatively small market by world standards, even if expanding, can only have detrimental effects on long term investment. The capacity for three stevedoring firms to share available profits and at the same time inject the levels of capital investment needed to develop and maintain world class port infrastructure facilities is an unsustainable proposition. This will be particularly so if a new entrant was to be given a concession for a greenfield site (new wharfage) necessitating large capital start-up costs.
- 7.17 Existing operators will be reluctant or unable to invest in new quay cranes for example (which cost many millions of dollars) if the opportunity to share in expanding trade is undermined. Investment in additional quay cranes is one of the most important requirements to achieve better performance from existing facilities.
- 7.18 If new entrants are encouraged into Australia's premier ports, it will only be a matter of time before sustainability pressures led to further rationalisation. That sort of disruptive market behaviour should not be entertained. One only has to look at the disruption to Australia's domestic airline industry by the entry and exit of undercapitalised or debt burdened players such as Compass and Ansett 2, arising from contrived competition rules and ill considered State/Territory Government incentives that sought to force competition. Users ultimately suffered. It is noted that many of the world's highest performing ports have been planned around one or two key terminal operators, and in many of these ports the throughput is way beyond any Australian port.

- 7.19 It should not be lost on the State Governments and Port Authorities that it was not long ago that Qld for example had a third terminal operator (CSX World Terminals) which withdrew from the port for commercial reasons. This is strong evidence that the conditions for additional stevedoring operators do not exist in Australia. Similarly, there have at times over the last decade or so been up to seven stevedores operating Sydney's key ports. Through a process of mergers and rationalisation, in response to changing global conditions in the ports sector, this has reduced to two successful operators.
- 7.20 Third, those arguing for new stevedoring entrants have not revealed the fact that costs per TEU (unit costs in real terms) for importers and exporters have continued to fall such that they are now 32.6% lower than in 1998–99 (Source: *ACCC Stevedoring Monitoring Report No 8*, November 2006). This is despite rising inflation, higher fuel costs and the very high costs of new port technologies.
- 7.21 Fourth, additional entrants at any of Australia's premier ports, at current capacities, is likely to create further peaks and troughs in volume and result in a situation where the only way that idle time could be adequately addressed is through the reintroduction of a casualised workforce. Longer lags between peaks and troughs (ie longer lags for each stevedore between each ship arrival) will lead to further under utilisation of assets, thereby increasing capital risk, stunting investment and innovation, with negative impacts on the workforce. The real focus needs to be on increasing yield from existing assets. Berth occupancy in Australian ports is currently around 40% ie for 60% of the time, berths are idle (Source: DPW). Larger vessels could well mean that occupancy does not increase, even though throughput would increase. The berths that might be accessed by a new entrant are likely to experience even lower occupancy levels. This scenario has major implications for stevedoring investment in Australia and for the stevedoring workforce.
- 7.22 As part of a process of structural adjustment since the 1998 waterfront dispute, and without any time lost, there has been close cooperation between operators and the unions aimed at minimising casualisation, which is widely recognised as a key factor in low productivity performance. Permanent jobs are now the cornerstone of employment arrangements at all Australia's major ports, and are working well. A return to high levels of casualisation is synonymous with a return to lower productivity. Reintroduction of a casualised workforce would undo ten years of innovative and cost neutral labour relations strategies which have resulted in the lowest disputation level and the highest productivity levels ever experienced on the Australian waterfront.
- 7.23 The opportunity for a new entrant to exploit the anti-worker provisions of the WorkChoices legislation and create industrial uncertainty and possible instability on the Australian waterfront is a risk not worth taking, given the robust arrangements which have been established over the last decade. The Federal Government's promotion of the utilisation of foreign labour through a poorly regulated 457 visa process also poses dangers for labour relations and labour standards.

- 7.24 It is noted that all the recent Federal Government reports and analyses touching on infrastructure, ports, exports, stevedoring productivity and related issues have not found a single weakness in current practice or policy that would suggest there is any significant industrial relations issue in the port sector requiring resolution.
- 7.25 The Prime Minister's Exports and Infrastructure Taskforce report of May 2005 entitled *Australia's Export Infrastructure: a report to the Prime Minister* raised no industrial relations issues that were impeding Australia's export effort. In fact, the Taskforce concluded, and the Federal Government has accepted, that while there are localised problems such as immediate capacity constraints at some bulk export ports "...to describe them as a major crisis at present is an exaggeration".
- 7.26 The Taskforce found that the greatest impediment to the development of infrastructure necessary for Australia to realise its export potential is the way in which the current economic regulatory framework is structured and administered.
- 7.27 The regulatory framework was described in the report as "...adversarial, cumbersome, complicated, time consuming, inefficient and subject to gaming by participants". The Taskforce concluded that "...there are too many regulators, and regulatory issues are slowing down investment in infrastructure used by export industries".
- 7.28 There was no mention of labour relations issues impeding productivity or contributing to competition blockages.
- 7.29 One of the core objectives over the three enterprise bargaining rounds in the stevedoring sector since 1998 has been to achieve greater permanency of labour, or put another way, to reduce the level of casualisation that had crept up over recent years. There was understandably some anxiety among employers when the MUA first entered discussions on this issue, as employers believed it would reduce workforce flexibility and so provide rigidities in their cost structure.
- 7.30 The interesting observation is that as the bargaining negotiations began to focus on the cost impact of a more permanent workforce or of reducing casualisation, it became apparent to the employers that it is far more cost effective to place a heavier reliance on a permanent workforce. The reason is simple – the costs of maintaining a large casual workforce, of rostering a large casual workforce, of training a large casual workforce and of retaining a large casual workforce - to be available when required (to meet shipping schedules) and to have the level of skill required - is an expensive exercise.
- 7.31 The stevedoring parties have agreed to the replacement of costly casual or supplementary labour with a Guaranteed Wage Employee (GWE) or Variable Salaried Employee (VSE), a type of permanent part-time position whereby there is a guaranteed minimum wage aimed at retaining the employee and retaining their availability when required by the employer. This development has complemented the use of full time salaried and rostered employees and greatly assisted in skills development and skill retention in an industry critically reliant on those skills.

- 7.32 One of the very significant consequences of the decision to reduce casualisation is that the industry will retain the investment in training that it has made. The leakage of large numbers of casual employees in whom the employers had invested significant training dollars was becoming an intolerable cost burden on the industry. Further, the stevedores have the opportunity to extract additional hours from the already trained and available GSE or VSE employees to meet peaks in demand, without the need (and costs) to train new employees or hire additional casuals.
- 7.33 The dilemma that faces casual or supplementary labour is that such workers generally require two or more employers (jobs) to achieve a living wage, and without the regularity of work, or a guaranteed minima, are invariably unavailable on the occasions when one or other of their employers require them. This is an inefficient use of labour.
- 7.34 Under the casualisation model the employer has no control over the outcome of an investment in training and skilling of casual employees, who must remain mobile to achieve a living wage. This is one of the costly downsides of an industrial relations environment founded on job insecurity and/or income insecurity.
- 7.35 For all these reasons the industry agreed that the GWE or VSE is a good business solution and it has been widely accepted.
- 7.36 In recent speeches Mr Tim Blood, Managing Director of DPW Australia/NZ (until 1 December 2006, and now Chair of the Board), has made the following points:
- Labour productivity and labour relations in the stevedoring sector are at the leading edge of worlds best practice:
 - The next wave of waterfront reform will be driven by technology rather than labour relations;
 - Landside investment is more urgent than stevedoring investment in Australian ports to realise available efficiencies;
 - The failure of the road transport sector to address its interface with the ports is leading to major inefficiencies eg lack of backloading and reluctance to use slots over 24/7; and
 - That it is inappropriate for Governments to provide access incentives to achieve additional stevedoring operators in the name of port competition.
- 7.37 These first hand observations are supported by the key findings of the NSW Government's Freight Infrastructure Advisory Board Report entitled *Railing Port Botany's Containers: Proposals to Ease Pressure on Sydney's Roads*. Findings from that report include:
- The efficient transfer of containers between each of the stevedores and road and rail transport is fundamental to ensuring ports can handle the forecast growth in volumes;

- At present, stevedores are economically driven to deliver efficiency in the ship-to-shore exchange, but not to maximise the efficiency of landside infrastructure. In order to handle the increased volumes, the stevedores will need to undertake further investment and improve the efficiency of their road-port and rail-port interfaces;
- A greater rail mode share requires major changes to current rail operations. This will require a cooperative and coordinated approach with regard to future siding lengths, rail windows and handling rates; and
- Road freight in the off peak hours and increased two way loading can make a major contribution to increasing port efficiency and minimising congestion on the road network:
 - an uncoordinated trucking task can have a severe negative impact on port efficiency.

- 7.38 Given these findings it is considered that cooperative and collaborative methods whereby the Government, the Port Authorities, the stevedoring and transport companies and their workforce (including their representatives) be adopted to work through the interface and intermodal issues so that investment plans can be put in place with confidence that they have the support of all players. The workforce has a strong record of playing a cooperative and constructive role in ensuring that structural improvements in port logistics to support greater rail and road efficiency at the port interface, that new technologies, new work methods and new organisational processes can be successfully implemented.
- 7.39 It is entirely legitimate that this support be conditional on the need to ensure that workforce issues are given high priority in adjustment processes, and that the objective of maintaining and building a highly skilled, multi-tasked and permanent stevedoring workforce is further developed in working through the issues. These principles underpin recent enterprise bargaining outcomes, which have strong support from the current stevedoring operators and the workforce.
- 7.40 There is also a history of commitment to working with Government to support strategies aimed at ensuring that there is an available supply of labour entering the industry (and that labour shortages are avoided). This requires complementary strategies aimed at the upskilling and multi-skilling of stevedores to develop their capabilities to perform to the level required but also to improve their value to the industry as a whole – to improve their mobility and the transferability of their skills and knowledge. It is important to be mindful of the high costs of training and the need to minimise wastage of the investment in skills from the industry.
- 7.41 Another area which demonstrates the commitment to cooperative labour relations is in the introduction and bedding down of the new maritime security arrangements. The social partners were instrumental in ensuring the International Ship and Port Facility Security (ISPS) Code was smoothly introduced from the Federal Government's target date of 1 July 2004. This

commitment continues in ensuring the Maritime Security Identification Cards (MSICs) are smoothly introduced.

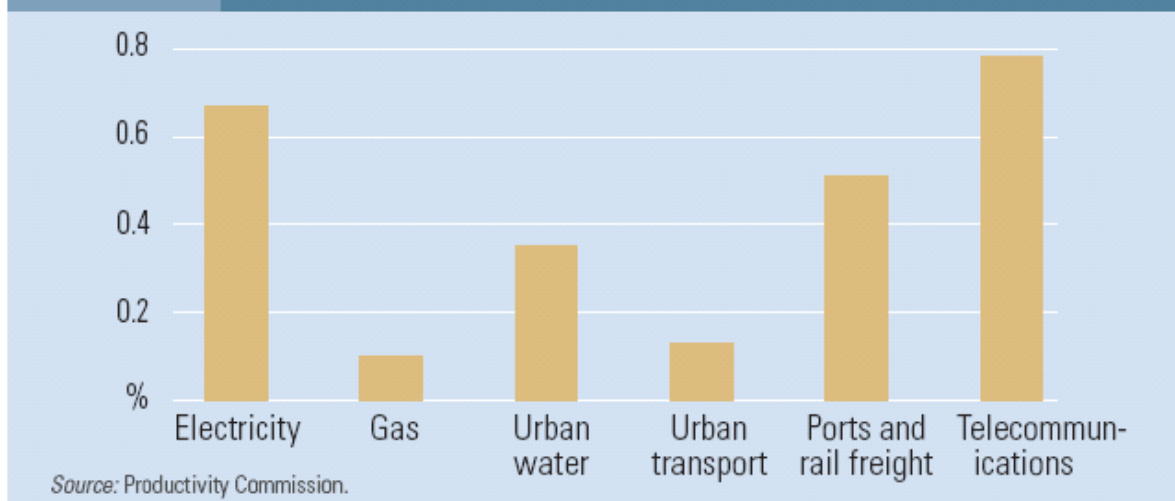
- 7.42 Another important development at the national level is the increased cooperation and networking among the key transport unions, where the MUA works closely with the Transport Workers Union and Rail, Tram and Bus Union, as well as the other maritime unions. The three transport unions have now formed a Transport Unions Federation (TUF). Such cooperation is providing better responses to key industry issues such as intermodal transport developments and integration of land and sea side arrangements in our import and export effort. These industrial developments are unique when a serious study of the history of demarcation in Australia's waterfront is understood. It is important that Government and industry take advantage of this new labour cooperation.

Port productivity

- 7.43 The Prime Minister's Exports and Infrastructure Taskforce referred to earlier in this submission noted the significant contribution which productivity (that is, multi-factor productivity) and price changes in the ports and rail freight sector of Australian infrastructure has made to Gross Domestic Product (GDP). The figure for 1989-90 to 1999-00 shows a GDP contribution by the sector of 0.5%, third behind communications (0.8%) and electricity (0.65%) – see Figure 1.
- 7.44 The Taskforce made the point that the productivity of infrastructure assets is significantly affected by the extent to which investment in the infrastructure itself is consistent and coordinated with investment decisions being made by users. This highlights the fact that labour productivity is invariably constrained by the investment decisions of not only the employer (or manager of the capital assets), but also the employer's customers. For example, the quality of road and rail infrastructure can significantly affect stevedoring productivity. This is certainly true of the Port of Brisbane, where the road infrastructure is likely to become an increasing impediment in coping with the expected volumes of trade through the Port of Brisbane in future years.

Figure 1: Impact on GDP of Productivity and Price Changes in Key Infrastructure

Fig 5 : Estimated impacts on GDP of productivity and price changes in key infrastructure industries, 1989-90 to 1999-2000



Source: Prime Minister's Exports and Infrastructure Taskforce report *Australia's Export Infrastructure: a report to the Prime Minister* May 2005

7.45 Taking a look at aggregate labour productivity for the industry as a whole, that is, Transport and Storage, the average over a 10 year period to 2002-03 is an impressive 3.1% compared to the all industry average of 1.9% over the same period. At 3.1% average annual growth, Transport and Storage is the fifth best performing industry sector of the 13 ANZSIC industry sectors in Australia over those ten years. The comparisons are set out in Table 2.

Table 2: Labour Productivity (a), Average Annual Growth Rate - 1992-93 to 2002-2003

Industry(b)	%
Agriculture, forestry and fishing	1.7
Mining	3.0
Manufacturing	2.8
Electricity, gas and water supply	3.3
Construction	1.8
Wholesale trade	4.7
Retail trade	1.9
Accommodation, cafes and restaurants	1.3
Transport and storage	3.1
Communication services	4.1
Finance and insurance	3.2
Health and community services	1.2
Cultural and recreational services	-1.2
All market sector industries	1.9

(a) Gross product per hour worked. (b) Estimates are not available for Property and business services, Government Administration and Defence, Education, and Personal and other services

Source: Australian System of National Accounts.¹ Obtained from ABS *Measuring Australia's Economy*

7.46 Interestingly, an examination of the relative contribution of labour and capital productivity in the market sector over the whole economy over an eight year

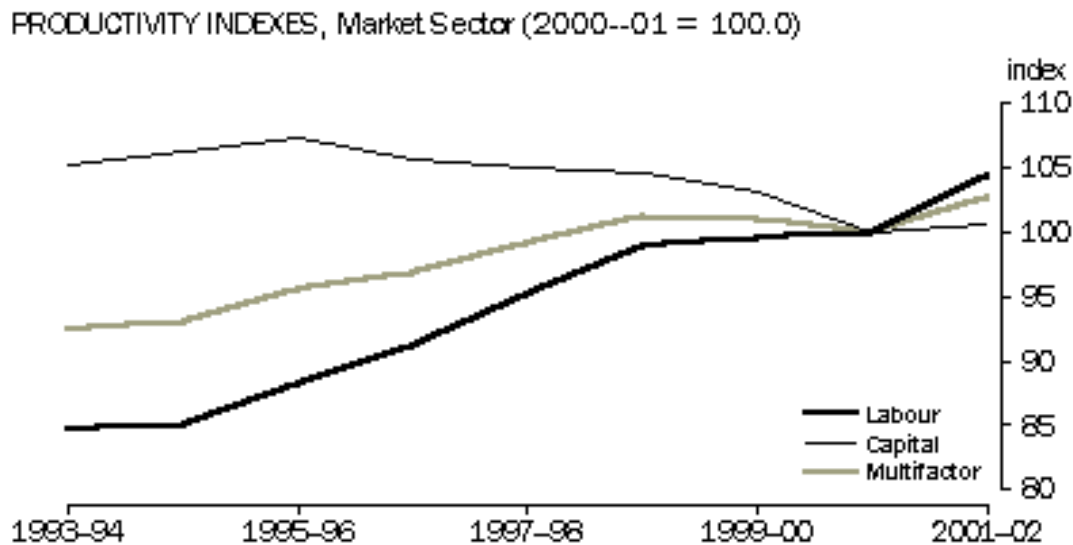
period from 1993-4 to 2001-02 shows that labour productivity has outperformed capital productivity quite significantly and has been the greatest contributor to multi-factor productivity improvement in the Australian economy, described as GDP per hour worked. This is illustrated in Figure 2.

7.47 National productivity data from the Australian Bureau of Statistics (ABS) indicates that:

“The average annual growth rate between the latest two 'growth cycle' peaks in 1993-94 and 1998-99 was 1.8% for multifactor productivity, 3.2% for labour productivity and -0.1% for capital productivity. The growth rate for multifactor productivity over the latest cycle is higher than for any preceding cycle since multifactor productivity was first measured in 1964-65.”

7.48 That is an important set of statistics. It highlights the fact that labour productivity is by far the greatest contributor to Australia's productivity growth. This is an important statistic for the ports sector of the transport chain because it demonstrates that unless labour relations are a key aspect of the port development strategy, and the conditions for labour productivity continue to remain in place, then the attempt to achieve transport cost efficiencies for the transport sector, and for ports in particular, through ill-informed intra-port competition policies, will inevitably fail.

Figure 2: ABS Productivity Indexes – Market Sector by Factor



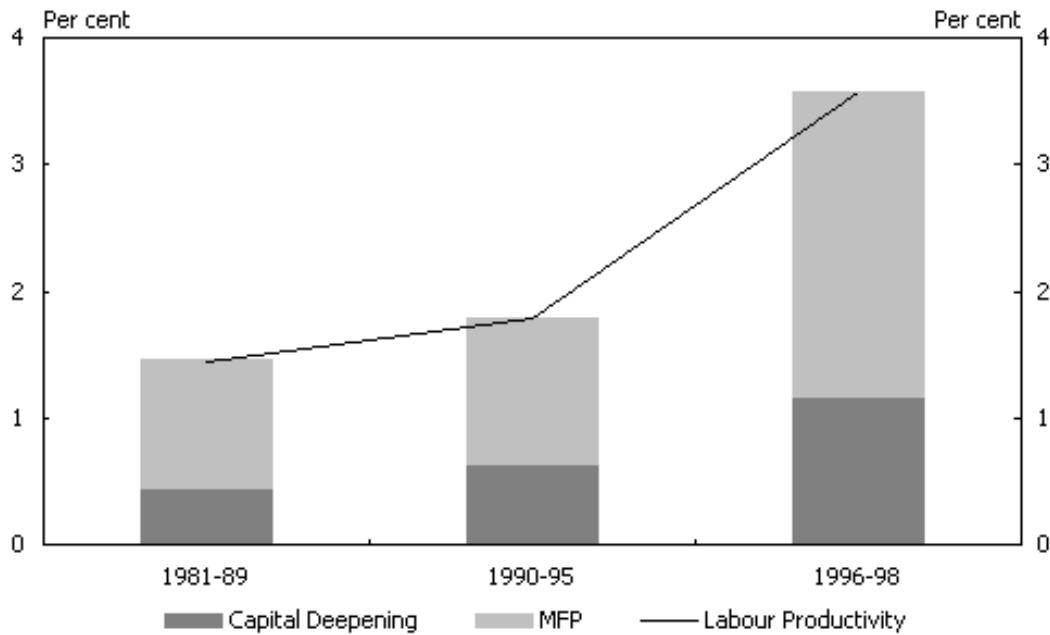
Source: Australian System of National Accounts (5204.0).

Source: ABS *Measuring Australia's Economy* Production and Industry Productivity

7.49 The relative decline in capital deepening in the late 1990s as labour productivity has surged indicates that capital investment (see Figure 3) has not kept pace with labour reforms and that a larger part of labour productivity can be explained by improvements in skill, flexibility and the way in which labour and capital have combined. It is argued that labour reforms supported through the stevedoring EBA process over the past eight years have been a direct contributor to this productivity improvement. The failure to deliver capital deepening, to focus on innovation and to support skill deepening is one

factor leading to the Reserve Bank warnings about declining productivity across the economy.

Figure 3: Decomposition of Australian Annual Labour Productivity Growth



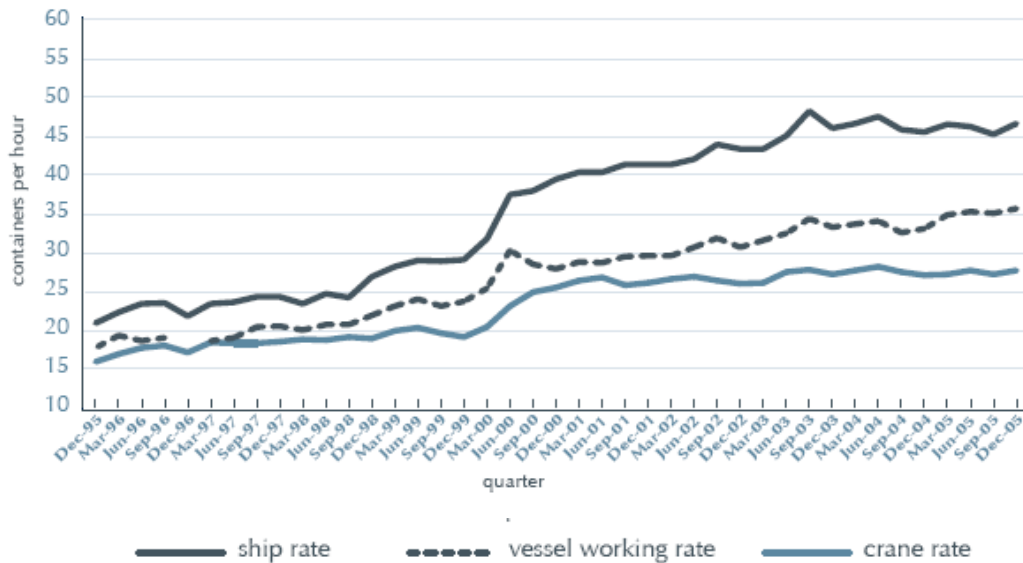
Source: Treasury, Budget 2001-02 *Statement 4: A More Productive Australia - Policy and Technology*

7.50 Importantly, while there has been a slowing in the rate of improvement of stevedoring productivity, possibly reflecting the economy wide decline, it nevertheless continues to improve. Labour productivity as measured by the stevedoring crane rate (measured as container movements per hour), which is widely recognised as a headline measure of productivity in stevedoring, has continued to improve, particularly since 2000.

7.51 The latest issue of *Waterline* (No. 40 of 1 June 2006) indicates that the Australian 5 port average crane rate measured as container movements per hour was 27.7 in the December 2005 quarter, just below the best quarterly crane rate achieved over the past 10 years – being a crane rate of 28.2 achieved in the June 2004 quarter. This crane rate significantly exceeds the Federal Government’s benchmarks set during the 1998 Patrick’s dispute of 25 containers per hour.

Figure 4: Productivity Indicators, Containers/Hour—5 Port Average - 1995-2005

f1 Five major ports



Note These figures are based on data contained in Table 1. Readers should refer to the notes in that table.
Sources Patrick, P&O Ports and DP World.

Source: BTRE, *Waterline*, June 2006.

Definitions

Stevedoring rate (or Ship rate) = Crane Rate multiplied by Crane Intensity (Crane Intensity is the total number allocated crane hours, divided by the elapsed time from labour first boarding the ship and labour last leaving the ship, less delays) = productivity per ship while the ship is worked.

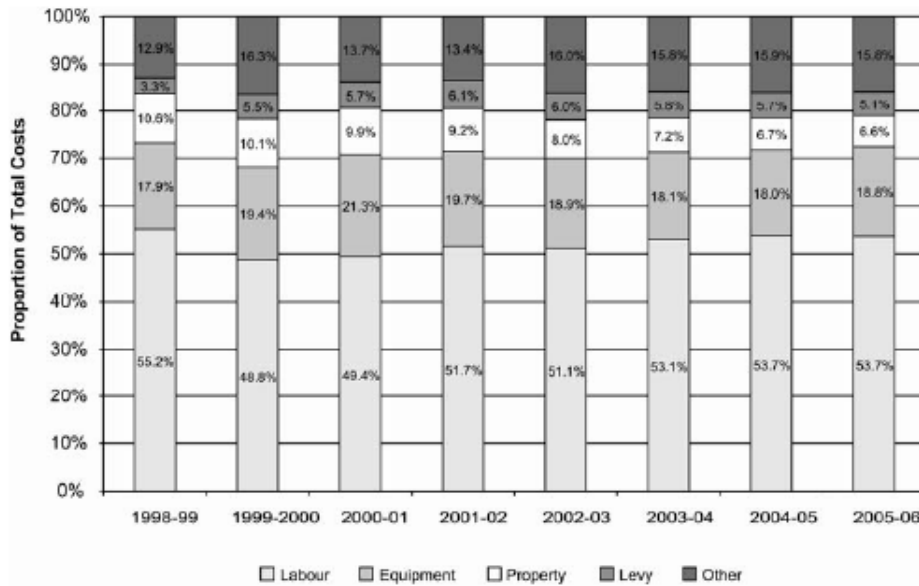
Vessel working rate = Total containers handled divided by the Elapsed Labour Time (ELT= The elapsed time between the labour first boarding the ship and labour last leaving the ship, less operational delays). Put another way, this represents productivity per ship based on the time labour is aboard the ship and loading/unloading.

Crane rate = The total Containers Handled (the total number of containers lifted on/off fully cellular ships) divided by the Elapsed Crane Time (the total allocated crane hours, assuming that the vessel is ready for working; less operational and non operational delays) = labour productivity

7.52 In the Australian Competition and Consumer Commission's (ACCC) annual *Container Stevedoring Monitoring Report* (No. 8 of November 2006) the ACCC noted that the cost data for 2005–06 shows that there has been no substantive change to the relative stability of cost shares since monitoring began in 1998–99. The data shows in fact that labour's share of costs in 2005-06 was lower than in 1998-99, and has risen only slightly from a low of 48.8% in 1999-00 to 53.7% in 2005-06. It also shows that the labour cost share has remained stable over 2004-05 to 2005-06 despite the negotiation of a new enterprise agreement in 2005, again illustrating the effectiveness of sound industrial relations in the industry. This is illustrated in Figure 5 which shows changes in the share of total costs held by key cost components from 1998–99 to 2005–06.

Figure 5: Total Stevedoring Costs by Factor

Figure 3-iii Cost components as a proportion of total costs (%).



Source: Data supplied by the stevedoring companies.

Notes: Other costs include port management costs and other overhead costs.

Source: BTRE, *Waterline*, June 2006. Averages for ports of Brisbane, Sydney, Melbourne, Adelaide and Fremantle (reported in ACCC *Container stevedoring – Monitoring Report No 8* November 2006)

- 7.53 In its 2005 Container Stevedoring Monitoring Report the ACCC noted that the tendency towards higher container unit costs, may reflect in part costs associated with investment in new assets and that it could be some time before it becomes clear the extent to which the investment in equipment will increase capacity in the long run, or represents a part of a cyclical asset replacement program. In other words, the ACCC notes the importance of increased investment in reducing unit costs and in raising capital productivity which then has potential to lift labour productivity. The ACCC specifically indicates that investments in new assets in 2004–05 should have the effect of improving future productivity.
- 7.54 The key observation from the ACCC report is that it is inevitable that labour costs as a proportion of costs will exhibit cyclical rises to meet short term peaks in demand, but that this has nothing to do with labour costs per se being too high or being an impediment to competitiveness or investment. It demonstrates that port efficiency is not being held back by labour issues.
- 7.55 Increased labour costs have arisen to meet short term business needs as part of the longer business cycle that will very likely result, over time, in new capital investment in quay space, numbers and sizes of cranes, yard storage and yard utilisation in response to pressure on labour costs.
- 7.56 It shows that business already has flexibility in relation to labour utilisation to meet business needs.
- 7.57 Putting this in context, the 12% annual growth in throughput at Australian ports is a very positive economic development, and the fact that it is creating demand for labour is also a good thing. If the proportion of labour costs relative to other costs is rising and this indicates that further capital investment

is required, then that too is a positive development. It probably shows there will need to be a further surge in capital deepening to achieve the next burst of productivity improvement.

- 7.58 What all this reveals is that the labour relations environment on the waterfront has been a direct contributor to improved productivity (both multi-factor and labour).

8. Workers' compensation and occupational health and safety

- 8.1 The MUA is concerned about the inconsistency of Federal Government policy in relation to workers' compensation and occupational health and safety arrangements in the shipping industry, which is creating significant anxiety for Australian seafarers who have suffered a work related injury and for those that in future may need to rely on workers' compensation payments for income security should they suffer a work related debilitating injury.
- 8.2 The Federal Government has been providing opportunities for national multi-State employers to withdraw from multiplicity of State workers' compensation schemes and obtain a self insurance licence under one national scheme – Comcare.
- 8.3 Similarly in 2005, the Federal Government established the National Offshore Petroleum Safety Authority (NOPSA) under Federal legislation to take away safety regulation of offshore oil and gas installations and place it under a single national scheme.
- 8.4 In the case of the Seacare scheme, which covers Australian seafarers (on all but intra-State voyages) the Federal Government is seeking to dismantle the national Seacare scheme and force seafarers and their employers back into State workers' compensation schemes.
- 8.5 This policy schizophrenia has no justification and is simply creating uncertainty and anxiety in the industry. The Federal Government has before it the recommendations of an Ernest and Young review of the Seacare scheme which provided a range of options to reform the scheme under Federal legislation ie to reduce costs but to retain its national character given the mobility of the workforce. We believe the Government should create certainty by announcing retention of the national Seacare scheme and by indicating a preparedness to work with the stakeholders in achieving reform of the scheme.

9. Addressing the gender imbalance in the maritime workforce

- 9.1 A major challenge for employers, unions and the maritime workforce is develop a sustained commitment to redressing the severe gender imbalance in the maritime workforce, and within the context of the available commitment, implement strategies aimed at attracting and then retaining women.
- 9.2 While there have been intermittent actions aimed at redressing the gender imbalance the issue has not received sufficient and sustained high level attention and there does not appear to be a strategy for addressing the issue over the long term. One reason is that insufficient work has been undertaken

on identifying barriers to women entering the stevedoring and seafaring occupations, nor sufficient analysis and follow up on exit surveys (Patrick advised the Equal Opportunity for Women in the Workforce Agency in 2005 that it conducts exit surveys) to find out why women leave the industry and to systematically address those causes. While ever there is a lack of consensus on the barriers to greater women's participation in the maritime workforce, there is unlikely to be a strong commitment to addressing those barriers.

9.3 P&O Ports report to the Equal Opportunity for Women in the Workforce Agency for 2004-05 shows that its stevedoring production workforce comprises just 3% of women. This low level of women participation has not arisen due to an inactive approach by P&O Ports. Some of the measures it reported to EOWWA included, that it:

- Employs a part time Women's Liaison Officer as a national contact officer for all P&O women from the operational workforce aimed at addressing the issue of attracting, retaining and promoting women in a non-traditional industry and to have an advocate for women in the Maritime Industry. P7O reports that the position aims to promote job opportunities for women through activities such as media coverage, industry networking, conferences, education programmes, looking at improving workplaces for employees and their families;
- Conducted a recruitment campaign in Victoria in 2004 promoting the opportunities for women to join the operational workforce. As a result of the campaign, P&O successfully recruited 8 female employees in the positions of Stevedore working at its Melbourne Terminal (it is not known how many of these have stayed);
- There has been a significant increase in the number of female employees being promoted from casual to part time positions;
- Undertook a continuous training of female operational employees which has provided the ability for women to perform in a wider variety of roles with increased responsibility

9.4 Similarly, Patrick Stevedores Ltd reported to the EOWWA in 2005 that 5% of its operational workforce were women . Patrick reported very low levels of women applicants for its operational positions, but said this was a feature across all occupations in the company – and that this occurs despite active monitoring of its recruitment and selection procedures.

9.5 Enough is already known to enable identification of two key aspects to the issue of gender imbalance. One aspect is recruitment strategies aimed at attracting women applicants for pre-entry training and employment. The second aspect is the working environment to ensure that women who enter a traditionally male dominated work environment are appropriately supported to ensure the workplace is safe, non-discriminatory and encouraging so that there is an opportunity for full and equal participation.

9.6 Both elements require cooperative employers, including labour supply companies (in relation to seafaring). The MUA considers that given the relatively small number of employers and labour supply companies in the

maritime industry, that Government resources should be made available to firstly, examine the barriers to women's participation in the maritime workforce, and second, to assist companies address the recruitment and on the job strategies and arrangements aimed at attracting and retaining women into the industry. An initial step may be to examine exit survey data to find out why women leave the industry. Based on advice from women members of the stevedoring workforce and information from job delegates there are two key causation factors - harassment (the most common) and family commitments (a lack of paid maternity leave, or inability to return to work due to insufficient flexible working hours arrangements). We consider it imperative that maritime industry wide strategies be adopted to address the issues impacting on attraction and importantly, retention of women.

10. Attraction and retention

- 10.1 The lack of national policy attention given to the maritime sector is reflected in the apparent lack of awareness of many aspects of the maritime industry. The lack of awareness spans the economic, defence, security and social significance of the maritime sector, employment and career opportunities, key personnel, companies (perhaps other than the cruise sector) etc.
- 10.2 The only practical step taken to address this lack of awareness in recent years has been an initiative of the Australian Shipowners Association to ensure an industry presence at careers forums throughout the nation.
- 10.3 This contrasts with developments in the UK where over 190 organisations and associations from all aspects of UK maritime life, led by the Chamber of Shipping, established an organisation called Sea Vision UK. Participants are drawn from the manufacturing sector (shipyards and marine equipment producers), ports, marine financial and legal services, the leisure sector (both boat-building and recreational activities), Government, the Royal Navy, commercial fishing, academia, professional institutes and societies. It conducts a national on-going campaign to raise awareness of the sea, including the maritime sector in its widest sense.
- 10.4 There are two objectives: to raise the profile of the maritime sector with the general public; and specifically, to target awareness among young people, which are regarded as the seed corn of the maritime future.
- 10.5 The MUA believes that much more needs to be done by Government and industry, with the involvement of the existing workforce and their organisations to improve awareness of the industry, its occupations and career opportunities.