



## **Executive Council Report to Annual Meeting 2010**

Dear AMOU Member,

The following report summarises the activities of the Executive Council and the AMOU for the last twelve months and I request its adoption by members attending the Annual meetings.

### **The Year in Review:**

- AMOU Website upgraded
- Dan Pearson, Western Area Secretary, was offered and has accepted a full time position with the AMOU. The Executive Council congratulates Dan on this appointment
- Offshore Oil and Gas EBA negotiations have been completed and a ballot is underway
- A move from the Work Choices Regime to the Fair Work Act
- Award Modernisation implemented by the Full Bench
- Decision made by NSW Government to maintain public ownership of the Sydney Harbour Ferries
- AMOU has been involved in negotiations with DMS which should lead to the completion of an Enterprise Agreement in the near future.

### **Industrial Report:**

As was the case in my Report to the Annual Meetings last year the AMOU's industrial program continues to be a complex one and our officials are exposed to a large number of lengthy and difficult negotiations. These negotiations have become further complicated with the introduction of the Fair Work Act, on the 1<sup>st</sup> July 2009, which has resulted in a whole new regime for industrial practitioners, from both the Union and Employer sides having to come to terms with. There are many new concepts that all participants are going to have to come to grips with and a determination of where all the players within the system fit within the new system. In many respects the processes for enterprise bargaining appear more complex than under Work Choices, if anyone thought that was even possible.

The AMOU and its Officials continue to strive for a balance between what can be delivered under the new industrial relations system and the expectations of our members. The fact that Unions cannot work in the same manner as they did prior to the Work Choices era is now well understood and all union members are now regularly confronted by employer groups who, empowered by the current legislation, adopt a much more aggressive and pragmatic approach to negotiations and outcomes in favour of union members are more difficult to achieve.

Whilst this process is underway and appropriate strategies are formulated to deal with the new system I once again ask that you remain supportive of the Union and its officials as we steadily work through the issues that confront AMOU members.

I have summarised the activities currently underway in each division below:

### **Offshore Division:**

- The towage contracts for Gladstone, Onslow, and Townsville have been lost by Svitzer and awarded to Smit Towage (Gladstone) and PB Towage (Onslow and Townsville)
- A Dredging Industry Agreement has been finalised with significant gains for members.
- The new Offshore Oil and Gas EBA negotiations were concluded in April 2010 after a long difficult process.

### **Seagoing (Bluewater)**

- This section includes the following employers;

Adelaide Brighton Cement  
Trident Shipping Services and Trident LNG Shipping Services  
Searoad Shipping  
Toll Shipping  
ASP Ship Management  
Teekay  
TT-Line  
P &O Maritime Services  
Swire Pacific.

### **Sydney Ferries**

- For the 2009 calendar year, the Sydney Ferries was managed by the Offshore Division. In June 2009, the AMOU and MUA concluded a joint agreement to cover their respective memberships at Sydney Ferries. The AIMPE concluded a separate, mirror EBA to cover their members. A single EBA for Sydney Ferries was a significant recommendation arising out of the Walker Special Commission of Inquiry into Sydney Ferries.
- In December 2009, the NSW Labor government decided against privatisation and awarded a contract to Sydney Ferries to continue to run the business. At a by-election held on Saturday 19 June 2010, the NSW Liberal Party successfully won the New South Wales seat of Penrith. The Libs have not held that seat for 37 years. Assuming this is repeated in March 2011, the NSW Labor government will disappear. The Libs are on record as saying they wish to privatise Sydney Ferries.

## **Seagoing EBA's**

- There were no Enterprise Agreement negotiations with the mainstream seagoing employers in 2009.
- In 2010 the process of EBA renewals will commence. In 2010, the following EBA's will be up for renewal: Swires (ETV/NAV aids vessel); Adelaide Brighton Cement Ltd (Accolade II); TT-Line (Pursers and Shipwrights); Searoad Shipping (Mersy and Tamar). Some preliminary work (contacting ships and employers) has been done. Negotiations are underway for Swires and Adelaide Brighton Cement.
- In 2011, the EBA's for Toll Shipping, ASP Ship Management, Teekay and P & O Maritime Services will fall due for renewal.

## **Award Modernisation**

- The Australian Industrial Relations Commission has produced a number of modern awards for the Maritime Industry. The principle vehicle for good terms and conditions of employment will be through enterprise bargaining as has been the case since 1993.

## **Enterprise Bargaining**

- The Fair Work Act 2009 has further complicated enterprise bargaining.

## **Other matters**

- Coastal Shipping Inquiry:

In October 2008, the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government published its report "Rebuilding Australia's Coastal Shipping Industry". The report contained a number of recommendations. To date there has been no government response.

## **Navigation Act re-write**

- The government has announced its Nav Act re-write. The issues arising out of the Coastal Shipping Report will not be dealt with in the Nav Act re-write.

## **Port Services Division:**

- **Newcastle Port Corporation(NPC) Marine Pilots Agreement 2009**
  - The AMOU and Newcastle Marine Pilots Representatives commenced renegotiating a new Marine Pilots Agreement in October 2008.
  - NPC had, via Ports Australia, linked with other pilot employers, to unite and resist the AMOU's position.
  - NPC initially offered a 2.5% annual salary adjustment.

- The AMOU and NPC agreed to have the salaries arbitrated by FWA.
  - Proceedings completed in April 2010 and we are awaiting the decision of FWA.
  - The outcome of the arbitration will influence the outcome for Marine Pilots in other ports, eg: Port Kembla.
- **Maritime Safety QLD – 2009-2010 program**
    - The MSQ State-wide Agreement commenced negotiations in June 2009 and concluded in September 2009.
    - 4.5%, 4% and 4% salary increases were achieved over three years.
    - These were complex negotiations due to a significant internal restructuring of the organisation. They concluded with the overwhelming majority of members approving the agreement.
- **Darwin Port Corporation**
    - The AMOU has completed a new agreement for Darwin Pilots containing significant salary increases based on market rates.
    - The Northern Territory Government implemented a major restructure of marine services in the Port of Darwin which included the introduction of a VTS system, permanent pilot vessel crews on agreed 12 hour shifts, additional pilots and a change in role of Harbour Master.
- **North QLD Marine Pilots Council**
    - The Executive Council authorised the formation of a Council of Pilots employed under AMOU/MSQ EBAs in North QLD and meetings have continued to take place since its inception.
    - The benefit of the Council to AMOU members has already been recognised. These include, delegates in the region taking a higher degree of ownership of daily issues affecting the members they represent; improved lines of communication with officials, streamlining EBA negotiations and increased understanding amongst Pilots in Nth QLD.
- **QLD AMOU Rule update and election**
    - The Union is currently amending the AMOU QLD branch rules to comply with legislative changes.
    - State Branch elections were conducted in late 2009 and the new committee of management is now in place.
- **NSW AMOU Branch Elections**
    - Elections were carried out in 2009 and a new executive is now in place. Many thanks to Captain Kevin Fleming who was approved by the NSW IRC to act as the returning officer, subsequently saving the AMOU a significant sum of money.

- **Geraldton Port Authority**
  - The Geraldton Port Authority agreement was completed with a substantial rewrite. Salary outcomes 5%, 3% & 3% were achieved. The previous agreement was negotiated by management directly with staff under the Workchoices Regime resulting in some substantial reductions in conditions, which had to be rectified.
  - The Geraldton Marine Pilots agreement has been successfully renegotiated after considerable effort with a good outcome based on historical relativities with other Ports.
  
- **Bunbury Port Authority**
  - AMOU concluded Bunbury Port Authority BPA Marine Pilots Agreement after much disputation.
  - The Chairman of BPA is senior executive of mining company who had all employees on individual contracts.
  - BPA was backed by the WA Government and gained support from other regional port authorities in Albany, Esperance & Geraldton who also had negotiations underway.
  - The dispute was about a market adjustment of salaries consistent with past agreements and an arbitrated decision won by the AMOU in 2003.
  - The AMOU won a contested decision in the AIRC in March 2009 for a Protected Action Ballot that was opposed by the Chamber of Commerce and Industry WA and solicitors from Corrs Westgaff.
  
- **Award Modernisation**
  - This process has concluded and new awards are in now in place.
  - Port authorities were represented by Ports Australia and instructed Henry Davis York lawyers to press their claims
  - Significant differences between the parties on fundamentals in the new awards and particular the Port Authorities are argued that the award should not apply to Marine Pilots and to employees who earn above \$100,000 per annum.
  
- **Newcastle Ferries**
  - Historically the AMOU and MUA had separate agreements for their respective members at Newcastle Ferries but have negotiated a joint agreement.
  - The Negotiations were drawn out and difficult in large part due to the strictures of the NSW Government wages policy.
  - Both AMOU and MUA members were forced to take industrial action to achieve an successful result.
  
- **Esperance Port Authority**
  - The AMOU has recently concluded an agreement covering Terminal Supervisors in the Port of Esperance resulting in substantial salary gains and conditions for our members.

- **Tasmanian Marine Pilots**
  - The Tasmanian Marine Pilots agreement has been enormously difficult since commencing in early 2009.
  - The ports initial ploy was to announce the privatisation of the pilotage service which amounted to little once the pilots examined the business case.
  - The AMOU and TasPorts management are currently negotiating the terms of an arbitration agreement similar to Newcastle Pilots to settle the outstanding matter of salaries, as TasPorts are refusing to honour the traditional salary relativities between ports.
  
- **Port Kembla Port Corporation Marine Pilots Rosters**
  - The Port Kembla Pilots agreement similarly has been a difficult process but some progress has been made recently.
  - The outcome of the imminent Newcastle Pilots arbitration decision will also have a large bearing on the outcome in regard to salaries at PKPC who have relativities with Newcastle.
  - The PKPC pilots in recent times have seen a substantial increase in shipping in large part due to the winding down of Port Jackson.
  - The PKPC Pilots and the AMOU have also spent much time in the last year arguing with PKPC Management in regard to Pilots numbers and rosters making several trips to the AIRC in that time. We hope to resolve this situation to some degree during the Agreement negotiations.
  
- **Townsville Port Authority**
  - Negotiations have commenced to renew the two agreements the AMOU and its members have with the Port Authority. Unfortunately Qld has followed suite and introduced restrictive wages policies like NSW that restrict the agency's ability to negotiate even if they are willing to meet the demands of the unions and also have the capacity to pay.
  
- **Brisbane Port Corporation**
  - Most members would be aware of the asset sale underway in Qld. The Port of Brisbane is to be leased for a 99 year period.
  - Many negotiating meetings have been held in recent months with representatives of the Queensland Governments Treasury and Justice Departments, the AMOU and other unions regarding the proposed privatisation of the Port to negotiate a Code of Practice. This Code obliges any potential new owner of the Port to honour certain employment arrangements for a three year period once ownership is transferred from public to private hands.
  - Legislation has also needed to be amended to enable the employees moving from public employment to private, to remain able to access Q Super for instance.
  - The AMOU is also in parallel, renegotiating the three enterprise agreements it has with the Port.

- The most difficult of these being the of the Dredge Brisbane as the AMOU and MUA have put claims on the Port to adjust the salaries of our members to that enjoyed by members employed by the likes of Van Oord and Boskalis.
- These salary adjustments are significant, and it is expected that we will have difficult negotiations to come.
- **TasPorts Agreement**
  - The AMOU and MUA are currently negotiating the TasPorts agreement which have been tough.
  - It is hoped that these shall conclude in several weeks but the subject of salary increases are yet to be finalised.
  - The AMOU has had some significant issues to settle during the negotiations principally being the Pilot Launch crews, the VTS operators and also members employed in the Security Centre in Hobart.
- **Sydney Port Corporation and Newcastle Port Corporation**
  - Negotiations have recently commenced between these respective Ports and the union.
  - The negotiations are to be negotiated under the onerous NSW Governments wages policy but the Ports have been told clearly from the outset that if reasonable increases are not offered the likely hood of industrial action is more than likely.
- **NSW Maritime**
  - The AMOU has met with NSW Maritime and commenced negotiations to renew this state-wide agreement.
  - These negotiations will also be subjected to the NSW Governments wages policy and expected to be as difficult as the 2007 agreement which resulted in several incidences of industrial action prior to agreement being reached.
  - Also at present the AMOU is involved in a demarcation dispute with the AIMPE who are trying to encroach on areas within the organisation where the AMOU has also covered. This has been set down for arbitration in September. The AIMPE has never been a party to either this agreement or the relevant award
- **Stradbroke Ferries**

An initial meeting has been held with Stradbroke Ferries management to renew their agreement.
- **Quicksilver-Great Adventures**
  - This agreement was renegotiated relatively smoothly in stark contrast to the previous occasion. The AMOU and its members experienced much struggle last agreement as the company tried to take advantage of the worst aspects of the Workchoices legislation which had, at the time, recently been introduced, to dramatically

reduce conditions. It was only due to the fact that our members were united that we prevailed at the time.

- **Bunker Barges**
  - Both the Esar and Amorena Agreements are currently being renegotiated with the Amorena going to ballot in several weeks and the Esar being drafted.
  - Recent times have seen much activity in the bunkering scene with Svitzer losing the Esar contract in Botany and also having its contract with Shell to replace the Amorena being cancelled, when it could not complete its new build in time for the retirement of the Amorena in September. Both barges are single skinned and running on NSW Maritime exemptions at present.
  - The Larcom in Gladstone is also to be replaced next year with ASP/IBS presently looking at yards to build the vessel.

### **Staffing Levels:**

As can be seen from the Industrial Activity report above our officials continue to have extremely large and intensive workloads, which by their nature necessitates spending many days every year away from their families and homes.

It is imperative that the Executive Council and members support our full time staff so that they can carry out their duties in a safe and efficient manner and as a consequence achieve better outcomes for members.

### **Updated Website:**

The AMOU has commissioned a provider to expand our new website with the added functionality of a member's forum in the locked members section, to allow members to chat regarding maritime matters. It is expected that this will come online in the next few months.

### **Membership Numbers:**

There has been an overall increase in the membership of the AMOU during the last 12 months with some 308 new members signing up for membership. I would like to take this opportunity to welcome those new members to our ranks.

As at the 31/12/2009 there were 3098 financial AMOU members and of these 612 pay their fees by way of payroll deductions. Not included in the above figure there were 328 unfinancial members at the end of last year.

### Your Executive Council:

All Councillors participated in Executive Meetings throughout the year and have been active in carrying out their duties. The Executive Council is made up of the following members:

<b>Name</b>	<b>Position Held</b>	<b>Employer</b>
<b>Wayne Moore</b>	<b>President</b>	<b>Sydney Port Corporation</b>
<b>Murray Doyle</b>	<b>Vice President</b>	<b>P&amp;O Maritime Services</b>
<b>Stephen Groves</b>	<b>Southern Area Secretary</b>	<b>AMOU</b>
<b>Richard Barnes</b>	<b>Eastern Area Secretary</b>	<b>AMOU</b>
<b>Dan Pearson</b>	<b>Western Area Secretary</b>	<b>AMOU</b>
<b>Bob Ashmore</b>	<b>Offshore Division Delegate</b>	<b>Offshore Marine Services</b>
<b>Bill Korevaar</b>	<b>Offshore Division Delegate</b>	<b>Svitzer</b>
<b>Richard Lorraine</b>	<b>Port Division Delegate</b>	<b>Sydney Port Corporation</b>
<b>Jon Drummond</b>	<b>National Delegate</b>	<b>Maritime Safety QLD</b>
<b>Bob Brownrigg</b>	<b>Port Division Delegate</b>	<b>Miss Piggy Barges</b>
<b>Sean Stephens</b>	<b>National Delegate</b>	<b>Maritime Safety QLD</b>

Stay Safe

Regards and best wishes



Wayne Moore  
President