



# AMOU Executive Council Annual Report 2021-2022



**AMOU**

Australian Maritime  
Officers Union

# Annual Report 2021 to 2022

Dear AMOU Members

The following is your Executive Council's Annual Report reflecting on the Financial Report for the year 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022, the financial outlook for 2023, membership statistics and analysis, the Executive Council composition and meetings during 2022 and important developments during the year.

Any queries or feedback please do not hesitate to email your local industrial representative or Sydney HQ at [amou@amou.com.au](mailto:amou@amou.com.au).

Stay safe and healthy.



Ken Blackband  
President

## Receiving the Annual Report and approving the Financial Report

Your Executive Council has decided that the 2021-2022 Annual and Financial Reports will be posted on the AMOU website. The Financial Report has been on the website for several weeks now. Updates on the AMOU's financial and membership positions are reported upon at each monthly members' meeting.

Members are able to provide feedback or seek clarifications via the Executive Officer until mid-December. The Executive Council met on 28<sup>th</sup> and 29<sup>th</sup> November and passed the audit resolutions and the resolution to replace the costly port-by-port circuit of Annual General Meetings with its own consideration of the accounts. Council will meet mid-December virtually to take into account membership feedback and will debate the Annual Report on behalf of AMOU members.

## Financial Report from the Executive Council

The *Financial Report for Year ended 30<sup>th</sup> June 2022* ('the Financial Report') will also be sent to all members via email. Any member wishing to obtain a hard copy of this report may do so by email [amou@amou.com.au](mailto:amou@amou.com.au) or phone (02) 9264 2388.

## Financial Year 2021-2022

The deficit for the 2021-2022 financial year amounted to \$426,513. The deficit has been influenced by:

1. Unrealised loss on revaluation of investments of \$481,298 (due to correction in equity markets to 30 June 2022); and
2. Material legal fees of \$450,659 being incurred on a number of significant industrial cases – in particular the application of Svitzer Australia Pty Limited to terminate the National Towing Enterprise Agreement.

Revenue for the year was \$2,287,782, compared to the last full year result of \$2,466,566, which was for calendar year 2020.

Membership subscription income for the year was \$2,147,821 in comparison with \$2,262,813 for 2020.

Overall expenses were \$2,714,295 compared to 2020's \$1,995,179.

The \$426,513 deficit for the year is a predictable though disappointing result. In the last Half-Year Report, we described the unrealised gain on revalued investments of \$142,250, as a convoluted way of saying our Vanguard Investments portfolio is doing well but remains invested. This year the market did us no favours and incurred an unrealised loss of \$481,298.

This is part of the ups and downs of such an investment and whilst the money remains invested with Vanguard, the lesson to learn is that a union can only rely on the income received from members' fees, something over which the union retains more control. An 'unrealised loss' is simply that, unrealised until the investment is sold down. If it was not taken into account, the bottom line would have been a surplus of \$54,785. This would have been an amazing result with the union having absorbed \$450,659 in legal expenses. The legal fees for the previous half-year were \$87,747 and for the full years 2020 - \$163,723 and 2019 - \$130,705.

## Membership

Full financial membership numbers at the time of writing were 1,878. 2,000 full members remains our sustainability target. We have been frustratingly short of this target for 3 years now, despite the sterling efforts of the industrial staff. The sustainability checkpoint of employment expenses as a percentage of membership dues income, has gone up to 59%. 4% higher than the last figure of 55%, but we remain in reasonable shape particularly in the context of 2017 which had reached a crisis point figure of 76%. This prompted speedy action to reduce the escalated employment costs which was duly achieved in 2018.

## 2022-2023 Financial Outlook

The legal expenses line item remains the major source of concern for the current financial year, with the 2022-2023 figure of \$750,000 included in the budget. \$300,000 higher spending than last year will have a profound impact on our financial bottom line for year-end 30<sup>th</sup> June 2023. Please see table on p.3 for fees breakdown.

It is anticipated without any certainty that Vanguard's present trend of escalating returns should continue and well it might in order to counteract the increased legal fees.

We cannot predict a positive result and if one is achieved it will be due to 'unrealised' gains.

## Membership figures

Membership continues its somewhat frustrating plateau. Pilot Launch Masters, Ship Planners, Port Administration staff and Vessel Traffic Service Operators are the growing sub-sectors, some of which were targeted in the last report. The tourism vessel sector which was decimated by COVID-19 is now in the upswing. There is still work to do in expanding our strength in Stevedoring Supervisors and Superintendents/Managers and consolidation in the Offshore Oil & Gas sector remains a high priority.

As can be observed in the table to the right, the Pilotage sector continues to grow steadily, and the Seagoing sector has grown substantially over the year. Port Services has taken a dip and the other sectors are in a holding pattern. The total is exactly the same as last year, but the sector numbers have varied somewhat.

This is the last report in which Port Services will be represented as a single sector. Next year there will be 3 sectors: Port Authorities, Private Port Services and Ferries & Tourism. Please see the commentary on AMOU rule changes later in this report as to the reasoning.

<i>Full financial members by sector</i>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Offshore oil/gas	330	332	343	362
Pilotage	228	210	181	159
Port Services	613	642	665	650
Seagoing	342	310	308	282
Towage	328	331	313	311
Unemployed	37	53	71	90
<b>Total</b>	<b>1,878</b>	<b>1,878</b>	<b>1,881</b>	<b>1,854</b>

## Executive Council

During 2022, the Executive Council composition was as follows:

<b>Name</b>	<b>Position</b>	<b>Date Elected, Appointed or Resigned</b>	<b>Employer</b>
<b>Ken Blackband</b>	President	Appointed 10 <sup>th</sup> December 2020	Svitzer Australia
<b>Brent Warhurst</b>	Vice President	Appointed 10 <sup>th</sup> December 2020	Modec
<b>Brent Middleton</b>	National Councillor	Re-elected 16 <sup>th</sup> July 2019	Casual Offshore Sector Officer
<b>Matt Jepson</b>	National Councillor	Elected 16 <sup>th</sup> July 2019	Poseidon Sea Pilots
<b>James Gregson</b>	Offshore Oil & Gas Delegate	Resigned 9 <sup>th</sup> August 2022	Atlas Professionals
<b>Wayne Lewis</b>	Offshore Oil & Gas Delegate	Appointed 19 <sup>th</sup> October 2022	Solstad Offshore ASA
<b>Andrew Hawkins</b>	Pilotage Delegate	Re-elected 16 <sup>th</sup> July 2019	Port of Townsville Ltd
<b>Darryl Dorrn</b>	Port Services Delegate	Re-elected 16 <sup>th</sup> July 2019	Maritime Safety Queensland
<b>Ryan Thornton</b>	Seagoing Delegate	Elected 16 <sup>th</sup> July 2019	Teekay Shipping (Australia)
<b>Shanon Barrett</b>	Towage Delegate	Resigned 22 <sup>nd</sup> April 2022	Svitzer Australia
<b>Tony Jerome</b>	Towage Delegate	Appointed 8 <sup>th</sup> July 2022	Smit-Lamnalco Australia
<b>Brent Hills</b>	Eastern Area Secretary	Appointed 23 <sup>rd</sup> March 2021	Teekay Shipping (Australia)
<b>Luke Hosking</b>	Southern Area Secretary	Re-elected 16 <sup>th</sup> July 2019	Teekay Shipping (Australia)
<b>Glenn Andersen</b>	Western Area Secretary	Elected 16 <sup>th</sup> July 2019	Team Global Express

## Executive Council Meetings held during 2022:

28 <sup>th</sup> January	Special email meeting
21 <sup>st</sup> February	Special email meeting
28 <sup>th</sup> & 29 <sup>th</sup> March	Ordinary Face-to-face & Teams videoconference, Sydney AMOU Office
28 <sup>th</sup> June	Special email meeting
23 <sup>rd</sup> & 24 <sup>th</sup> August	Ordinary Face-to-face & Teams videoconference, Sydney AMOU Office
28 <sup>th</sup> & 29 <sup>th</sup> November	Ordinary Face-to-face & Teams videoconference, Sydney AMOU Office
Mid-December	Special email meeting

## AMOU Legal fees (from 1<sup>st</sup> January 2021)

Case	Status	\$
Shell <i>Prelude</i> Eligibility	Lost first instance and appeal	\$61,897
Sexual Harassment	Confidential settlement reached	\$58,844
Smit-Lamnalco Gladstone EA Termination	Discontinued as EA settlement reached	\$13,993
Svitzer National EA Termination	Case proceeding under new legislation	\$283,522
Smit-Lamnalco Gladstone 12-24 dispute	Case argued but no decision as yet	\$47,501
Svitzer lockout termination	3 x unions succeeded in having lockout suspended	\$35,026
Andersen Unfair Dismissal claim	Andersen withdrew the claim	\$43,938

## AMOU Rules

We mentioned in the 2021 Half-Yearly Report that the AMOU would be conducting a review of the Rules in 2022 and we raised the possibility with all members, of the Area structure being removed from the Rules and being replaced with Executive Council representatives to be elected in alternative constituencies.

We also mentioned under the membership figures heading that we were looking to turn our largest AMOU industry, that of Port Services into three separate industries. Port Services has had well over 600 members for 6+ years and there is an element of disenfranchisement that there is only one Executive Councillor representing such a substantial group.

The review of the Rules has been conducted and the Executive Council endorsed proposed Rule changes in its 28<sup>th</sup> to 29<sup>th</sup> November meeting. These changes are as follows:

1. All references to Areas have been removed. This means that from the time of the 4-yearly election next year there will be no area electorates. The administrative burden of compliance from having areas has also now gone.
2. There are presently 2 x National Councillors on the Executive Council. This number will increase to 4. Candidates for these positions may be drawn from any geographical zone and any AMOU industry. They are elected by the total membership, as are President and Vice-President.
3. The Port Services industry as we presently know it will be replaced with the following new industries each with 1 x Executive Council representative:
  - a. Port Authority Industry - this is for those members employed within port authorities
  - b. Private Port Services Industry – this is designed to give members employed by stevedoring and logistics companies’ specific representation
  - c. Ferries and Tourism Industry – this is also an under-represented group of AMOU members that we need to specifically include.

4. The present Council when all positions are filled is 12 members. Under the redrafted Rules, 3 x Area Secretaries and 1 x Port Services Delegate are replaced by an additional 2 x National Councillors and 3 x new industry positions. Once the Rules redraft is registered, the full complement will be 13 Councillors in total, a modest increase of 1.

## Fair Work Act Amendments

The Federal Parliament passed the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022* into law on 2 December 2022.

The new laws make significant changes to the way the AMOU will bargain with employers.

In bargaining for replacement EAs, the AMOU will be able to send a written notice to employers to commence negotiations which will have the same effect as the current situation where only employers can issue the *Notice of Representational Rights*.

EAs can be extended across employers with more than 20 employees who have a *clearly identifiable common interest*. That common interest can be the nature of the enterprises, geography or the current terms and conditions. Employers can be roped into an existing EA if a majority of employees vote to do so, and the common interest test is passed.

The Fair Work Commission will be required to hold conciliation conferences between the AMOU and employers immediately after the AMOU makes an application for a Protected Action Ballot Order. Failure of either party to attend the conference will outlaw any action from either side. Once approved employee action will have a 3-month limit.

The Fair Work Commission will have a greater role in assisting in bargaining. The FWC will be able to make parties attend bargaining meetings at the Commission and order the production of documents. If bargaining is *intractable*, the Commission will have powers to arbitrate outstanding matters. The changes will reduce the time it can take to reach agreement.

Before terminating an expired EA, the FWC must take into account if bargaining is currently underway and if terminating would affect employees bargaining position. EAs can only be terminated if a significant threat to the business is posed if the EA continues in force.

Other important changes limit fixed term contracts for the same role to a maximum of 2 years (does not apply to incomes above \$162,000 p.a.), preventing sexual harassment and seeking to improve gender equity and flexible work arrangements.

Not all of these provisions commence immediately with some coming in after a 6-9-month grace period.

The Government has also flagged introducing during the second half of 2023 amendments to provide *same job-same pay* to stop labour hire undercutting EA terms and conditions, redefining casual employment so that it is only available for truly casual positions and cracking down on wage theft.