



AMOU Executive Council Annual Report 2022-2023



AMOU

Australian Maritime
Officers Union

Annual Report 2022 to 2023

Dear AMOU Members

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

Stay safe and healthy.

Matt Jepson
President

Receiving the Annual Report and approving the Financial Report

Your Executive Council has decided that the 2022-2023 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 via email on 17th 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 30th June 2022* ('the Financial Report') can be sent to members wishing to obtain a hard copy of this report. Please just email amou@amou.com.au

Financial Year 2022-2023

The surplus for the 2022-2023 financial year amounted to \$77,527.

This is an extraordinary result especially taking into account the legal fees expenses of \$536,787 primarily attributable to Svitzer Australia's attempt to terminate the Svitzer National Towing Agreement 2016. This figure compares to 2021/22 legal fees of \$450,659, the previous half-year were \$87,747 and for the full years 2020 - \$163,723 and 2019 - \$130,705.

The primary positive influence on the result was the income item "Unrealised gain on revaluation of investments" of \$265,018 in comparison with the figure of zero for the previous year. An 'unrealised gain' is simply that, unrealised until the investment is sold down.

Revenue for the year was \$2,549,813, compared to last year's result of \$2,287,782.

Membership subscription income for the year was \$2,253,008 in

comparison with 2021/22's - \$2,147,821.

Overall expenses were substantially down this year - \$2,472,286 compared to last year's \$2,714,295, another substantial influence on the overall result.

The \$426,513 deficit for last year was a predictable though disappointing result and largely due to the level of legal fees compounded by the increased expenses and lack of gain from our investments. Whilst the legal fees were similarly excessive this year, the other two negative factors were positive and to some degree counteracted the fees.

This has been an amazing result with the union having absorbed \$536,787 in legal fees.

Membership

Full financial membership numbers at the time of writing were 1,857. 2,000 full members remains our sustainability target. We have been frustratingly short of this target for 4 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 60.54%, 1.5% higher than the previous figure of 59% which was 4% higher than 2020 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.

2023-2024 Financial Outlook

The legal expenses line item is already looking a more reasonable figure with around \$17,000 as of end of September 2023 compared to \$153,000 same time last year. At the same time of the year membership fees income is up \$25,000 on last year and expenses are down \$88,000. It's early days to make any calls and the budget has not yet been finalised but these signs are looking promising.

It is anticipated without any certainty that Vanguard's present trend of escalating returns should continue.

Barring any disasters, we are looking forward to an even more prosperous year financially.

Membership figures

Like last year, membership continues its somewhat frustrating plateau. Pilot Launch Masters, Ship Planners, Port Administration staff and Vessel Traffic Service Operators are the growing sub-sectors. 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.

As can be observed in the table to the right, the Pilotage and Towage sectors continue to grow steadily.

The previous Port Services industry has now been divided into three new industries: Port Authorities, Private Port Services and Ferries & Tourism. The red bracketed figure is to show a comparison to previous years and is the sum of the three new industries immediately above it in the column.

Numbers are down in the offshore due to my weeding out the members list pre-elections rather than any meaningful incursions from the Offshore Alliance.

Executive Council

During 2023, the Executive Council composition was as follows:

Members by industry	2023	2022	2021	2020
Offshore Energy	279	330	332	343
Pilotage	240	228	210	181
Port Authorities	302			
Private Port Services	112			
Ferries & Tourism	201			
Port Services	(615)	613	642	665
Seagoing	333	342	310	308
Towage	368	328	331	313
Unemployed	24	37	53	71
Total	1,859	1,878	1,878	1,881

Name	Position	Date Elected, Appointed or Resigned	Employer
Matt Jepson	President	Elected 25 th September 2023	Poseidon Sea Pilots
Ken Blackband	President	Did not stand again for President	Svitzer Australia
Brent Warhurst	Vice President	Re-elected 15 th November 2023	Modec
Brent Middleton	National Councillor	Re-elected 15 th November 2023	Casual Offshore Sector Officer
Matt Jepson	National Councillor	Elected President 15 th November	Poseidon Sea Pilots
Ken Blackband	National Councillor	Elected 25 th September 2023	Svitzer Australia
John McDonald	National Councillor	Elected 25 th September 2023	Australian Offshore Solutions
Brent Hills	Eastern Area Secretary	Constituency abolished	Teekay Shipping (Australia)
Brent Hills	National Councillor	Elected 25 th September 2023	Teekay Shipping (Australia)
Wayne Lewis	Offshore Oil & Gas Delegate	Did not stand for re-election	Solstad Offshore ASA
Stewart Anderson	Energy Sector Delegate	Elected 25 th September 2023	OSM Thome
Andrew Hawkins	Pilotage Delegate	Did not stand for re-election	Port of Townsville Ltd
Benjamin Miers	Pilotage Delegate	Elected 25 th September 2023	Flinders Ports
Darryl Dorrn	Port Authority Delegate	Elected 25 th September 2023	Maritime Safety Queensland
Ian Hughes	Ferries and Tourism Delegate	Elected 15 th November 2023	Transdev Sydney ferries
	Private Port Services	Constituency vacant	
Ryan Thornton	Seagoing Delegate	Did not stand for re-election	Teekay Shipping/Ports North
	Seagoing Delegate	Constituency vacant	
Tony Jerome	Towage Delegate	Did not stand for re-election	Smit-Lamnalco Australia
	Towage delegate	Constituency vacant	
Luke Hosking	Southern Area Secretary	Constituency abolished & did not seek re-election	Teekay Shipping (Australia)
Glenn Andersen	Western Area Secretary	Constituency abolished & did not seek re-election	Atlas Programmed Professionals

Executive Council Elections

The result of the 2023 Quadrennial Elections was declared on 15th November 2023.

This was the first election since the AMOU Rule changes which resulted in the abolition of the Area constituencies, and which added the three new port services constituencies and two additional National Councillor positions. The green font in the table on the previous page represents the result of the election. Disappointingly there were three constituencies left vacant - Seagoing Delegate, Towage Delegate and Private Port Services Delegate. There was only one contested election, Ferries & Tourism and the remaining candidates were elected unopposed.

This election saw the departure of some dedicated ex-Councillors – Andrew Hawkins (8 years’ service), Luke Hosking (8 years’), Ryan Thornton (4 years’) and Tony Jerome (1 year). All four are sincerely thanked for their service to AMOU Members.

We welcome new President Matt Jepson, who served two previous terms - 4 years as Seagoing Delegate and 4 years as a National Councillor. We also welcome three new Executive Councillors - Stewart Anderson (Offshore Energy), Ben Miers (Pilotage) and Ian Hughes (Ferries & Tourism). John McDonald is a new National Councillor but has served previously on the Executive Council as Offshore Oil & Gas Delegate from 2011-2015.

Very special gratitude goes to outgoing President Ken Blackband who, during this most recent term oversaw, amongst many other things, the prolonged, complicated and ultimately highly successful defence and advancement of the Svitzer National Enterprise Agreement.

At the next Executive Council meeting to be held on 7th December, among other matters the issue of filling the three vacant positions will be debated.

Executive Council Meetings held during 2023

27 th to 28 th March	Ordinary Face-to-face & Teams videoconference Executive Council meeting, Sydney AMOU Office
5 th to 6 th June	Ordinary Face-to-face & Teams videoconference, Executive Council meeting, Sydney AMOU Office
14 th November	Special E-mail Executive Council meeting. Coordinated from AMOU Sydney Office
7 th December	Scheduled and likely to be videoconference excepting the President

AMOU employees during 2023

Name	Designation	Start date	Finish date	Base
Mark Davis	Executive Officer	23 rd November 2016		Sydney - NSW
Chris Neiberding	Senior Industrial Officer	28 th November 2011		Geelong - VIC
Jarrold Moran	Senior Industrial Officer	2 nd May 2014		Geelong - VIC
Liz Jenkins	Office Manager	3 rd April 2018		Sydney - NSW
Tracey Ellis	Industrial Officer	5 th March 2019		Brisbane - QLD
Marty McEvilly	Industrial Officer	17 th September 2018		Sydney - NSW
Glenn Walsh	Industrial Officer	29 th November 2018		Fremantle - WA
Chris Claydon	Organiser	1 st March 2022		Brisbane - QLD
Mark Charles	Industrial Officer	23 rd May 2022	30 th June 2023	Fremantle - WA
Ginny Rabeling	Industrial Officer	14 th August 2023		Fremantle - WA

Strategic Fleet Taskforce Report

The following are the Taskforce recommendations and the Government's response on training (maritime workforce development) and funding of training. The AMOU sees this as an enormous priority particularly in terms of the timing as we are already at least 5 years behind (and probably 25 years) in maintaining cadet intakes consistently across our international, domestic and offshore energy fleets over the years.

Recommendation 9

Better coordination between governments and industry on maritime training

The Taskforce recommends that the Transport and Logistics Jobs and Skills Council (JSC) expedite its Maritime Workforce Development Plan and work in collaboration with Commonwealth and state government agencies and industry to ensure that the maritime training package is fit for purpose and considers the needs of Australia's maritime industry in the context of implementation of the strategic fleet. As part of this work, the JSC should:

- map relevant existing training programs and initiatives to assist people interested in working in the maritime industry to navigate career pathways
- provide advice to the Government on options to better coordinate designing and implementing initiatives to develop Australia's maritime workforce
- undertake maritime workforce planning, involving development of seafarer supply and demand forecasts
- consider how to better coordinate placement of cadets and trainees on vessels across the Australian and international shipping industry to complete mandatory sea time requirements to obtain STCW qualifications, including the option of expanding the use of a Group Training Organisation to coordinate the placement of trainees/cadets in both on-the-job and off-the-job placements
- consider options to accelerate the supply of Australian seafarers such as revalidation and recognition of current competencies for partially qualified seafarers.

Government response

The Australian Government agrees in-principle with this recommendation.

The JSC for the Transport and Logistics sectors is responsible for bringing together business leaders, unions, governments, industry organisations and training providers to consider the real issues affecting Australia's supply chain workforce. As part of its work, the JSC works closely with stakeholders to develop an annual workforce plan which will consider a broad range of issues relating to the Australian maritime workforce.

The Government notes that the JSC is in its first year of operations and that implementation of this recommendation needs to be managed in line with JSC's ongoing establishment activities. The Government will ask the JSC to consider the advice of the Taskforce and incorporate appropriate strategies into the JSC's Workforce Plan, with a focus on the maritime industry.

Upon delivery of the Plan, the Government will consider how to progress strategies proposed including whether actions can be implemented within existing programs or if new initiatives are required.

AMOU comment

The recommendation is good in sentiment but likely to delay getting trainees into institutions or employed on ships by another year. The Government response ensures this will be the case by not guaranteeing the prioritisation of the work entailed in the Recommendation which should be the highest priority of all Taskforce Recommendations.

Recommendation 10

Implement a Training Levy

The Taskforce recommends that the Government should legislate to implement a training levy on maritime industry participants that are beneficiaries of STCW qualified seafarers to fund a financial assistance package to assist employers and sponsors of trainees and cadets to meet the costs of training seafarers to obtain STCW qualifications.

Government response

The Australian Government notes this recommendation. The Government acknowledges the financial burden of providing mandatory sea time to trainee and cadet seafarers to obtain STCW qualifications falls mainly on a small number of organisations that operate ships of sufficient size and capability that can offer training berths. The Government will consider the practicalities of establishing a 'beneficiary' pays approach to funding for STCW qualifications that balances Australia's economic and strategic interests while enhancing the incentive to provide training programs and berths for sea time. The government will consider Australia's international obligations, seeking advice from relevant agencies on how to design measures consistent with those obligations.

AMOU Comment

This vital recommendation is merely noted rather than agreed. Again, it looks like the process will be far too long in circumstances requiring urgency in implementation of the funding model. The AMOU and other stakeholders are recommending the introduction of trainee seafarers into a employer service immediately and we can work out the Government aspect of the funding later.

Recommendation 11

Establish a cadetship program funded by the training levy.

The Taskforce recommends that the Government should establish a cadetship or similar scheme to provide financial assistance to organisations that provide berths for cadets and trainees to complete mandatory sea time requirements to obtain STCW qualifications. As far as possible, the cadetship or similar scheme should draw on the Government's existing schemes to support training such as those that support apprenticeships and traineeships.

Government response

The Australian Government agrees in-principle with this recommendation. The Government's Future Made in Australia Skills Plan, has seen a \$1 billion Fee-Free TAFE agreement with states and territories, deliver thousands of additional Fee-Free TAFE and VET places in 2023, addressing skills shortages in priority sectors. The success of this initiative has seen a further commitment of \$414.1 million to deliver an additional 300,000 places nationally beginning in 2024.

The Government also supports apprentices, trainees and their employers through a range of financial and non-financial programs, delivered by Australian Apprenticeship Support Network providers. The Government notes that maritime trainees and cadets face some unique challenges relative to apprentices in other industries. Some of these challenges include difficulty securing training berths on vessels, trainee seafarers generally needing to complete their sea-time training under more than one employer, there being only three registered training organisations (Launceston, Newcastle and Fremantle) that offer STCW courses, and the limited number of Australian ships. The Government will ask the JSC to consider the issue of training pathways as part of its next Workforce Plan. The Government will consider how existing schemes could be utilised to support these pathways or whether any maritime industry specific initiatives are required to strengthen Australia's maritime industry.

AMOU comment

Whilst this is a positive response, it falls within the apparently overcommitted realms of the JSC as does Recommendation 9 and may also be subject to delays. Berths should be provided for cadets now and in escalated numbers and the reckoning comes later.

Recommendation 12

Mandate a minimum number of training berths on strategic fleet vessels.

The Taskforce recommends the Government mandate a minimum number of training berths be offered on each vessel in the strategic fleet per annum on top of the existing minimum number of trainees as required to access the zero corporate tax regime. Any additional costs arising from the mandate should be met by one of the funding options proposed for the strategic fleet to ensure it does not create a disincentive to joining the strategic fleet.

Government response

The Australian Government agrees in-principle with this recommendation. The Government acknowledges the availability of training berths is an issue in the Australian maritime industry. The Government will consider mechanisms to increase accessibility of training berths on strategic fleet vessels when developing detailed implementation arrangements for the fleet.

AMOU Comment

Berths onboard ships on the coast and in particular in the offshore industry has never been the issue. The issue has been the willingness of the employers to employ trainees to occupy these berths. Mandating numbers of training berths on Strategic Fleet vessels is a worthwhile initiative provided the numbers are not unilaterally decreed and are worked out within the consultative forum.

Recommendation 13

Greater alignment between Defence and civilian maritime training and qualifications.

The Taskforce recommends:

a. The Australian Maritime Safety Authority, civilian mariner institutions, Defence and the Transport and Logistics Jobs and Skills Council work collaboratively to explore opportunities to facilitate greater alignment between Defence and civilian maritime training and qualifications to enable more flexible movement between Navy and the commercial sector.

b. The Australian Maritime Defence Council be re-established to become the principal forum through which the Defence/Navy sealift and other requirements such as workforce development can be harmonised with the civilian shipping industry and strategic fleet ship owners/operators to support the Government's national security and defence objectives, including those arising from the Defence Strategic Review.

Government response

The Australian Government agrees with the first component of this recommendation.

The Department of Defence and the Australian Maritime Safety Authority have made significant progress to achieve greater equivalent qualifications and skill recognition which has enabled easier transition from the Royal Australian Navy to the commercial shipping sector. The Government supports continuation of work to create greater alignment between Defence and civilian training and qualifications to enable more movement between Defence and commercial sectors.

The Government agrees in-principle with the second component of this recommendation.

The Government supports greater engagement between Defence and civilian industry. The Department of Defence will consider the merits of re-establishing the Australian Maritime Defence Council in the context of industry consultation arrangements for national defence strategies.

AMOU comment

The Recommendation in a. is admirable provided the objective is not watering down STCW qualifications and naval personnel are adequately prepared for the merchant navy. This is not something universally the case on Defence Marine Support Service Vessels and trading vessels will be a territory even less familiar. We are unfamiliar with the operation of the body referred to in Recommendation b.

Recommendation 14

Consider a short-term increase in migration for STCW seafarers.

The Taskforce recommends the Government consider targeting an increase in migration for STCW qualified seafarers to help alleviate labour shortages in Australia's maritime industry until such time as the supply of appropriately qualified Australian seafarers increases sufficiently. Skilled migration should only be pursued as an option of last resort if an adequate supply of STCW qualified seafarers cannot be sourced domestically.

Government response

The Australian Government notes this recommendation. The Government notes the high demand for, and low supply of, Australian maritime skills. The Government notes the labour market for Australian maritime skills is already tight. The Government is committed to establish a strategic fleet where all vessels are fully crewed with Australian seafarers and achieving this outcome will require an increase in the number of appropriately qualified Australian seafarers. The Government will consider targeted skilled migration including through current labour mobility programs, as a short-term solution to recruitment in the future, if required, while maintaining our commitment to grow the Australian workforce.

AMOU Comment

We do not support this Recommendation.