

# Morrison takes on the wharfies

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Prime Minister Scott Morrison has threatened to intervene and break the industrial gridlock on the nation's ports unless the Maritime Union of Australia and Patrick Terminals negotiate a resolution [to their months-long dispute](#).

Declaring the efficient operation of ports critical to the economic recovery, Mr Morrison has also flagged longer-term, substantive legislative change to break the power of the MUA.

He said Treasurer Josh Frydenberg had charged the Productivity Commission to look at the "broader issues" hampering the productivity of Australia's ports.

The inquiry would include an examination of recent criticisms by the Australian Competition and Consumer Commission of the poor performance of Australia's ports, [exacerbated by MUA's enterprise bargaining deals](#).

The ACCC said they "contributed to the sub-optimal performance of the nation's major ports and added to the pandemic-induced supply constraints" by "hampering productivity and increasing disruptions".

The Productivity Commission would report by the middle of next year, just after the federal election, setting the scene for a pre-election fight and, should the Coalition win a fourth successive term, an early pursuit of a reform agenda

"Having supported our economy strongly on the demand side through the pandemic, our focus inevitably turns to the supply-side levers as the economy recovers because it's those supply-side levers that can have such a big impact on inflationary pressures that put pressure on all Australians," Mr Morrison said.

In a closed-door speech to the Australian Industry Group on Tuesday, the Prime Minister warned the MUA against further industrial action once the ceasefire between it and Patricks expired next week.

“Our government is also keeping a close watch on the potential for industrial action to disrupt economic activity, noting that industrial action at Patrick Terminals is on hold until at least the 10th of December,” he said.

“We encourage the parties to this dispute to negotiate in good faith and to resolve their issues to get this sorted.

“But at the same time, I want to assure you that our government will take action, if needed, to protect the Australian economy from serious harm.”

Mr Morrison harked back to John Howard’s bruising waterfront intervention in 1998 to signal the government was not afraid to intervene, although any intervention this time would be an application under the Fair Work Act on grounds the strike threatens to cause significant damage to the economy.

“Ports are the gateway for our economy. Inefficient ports are a tax on all of us,” he said.

### **Productivity challenges**

“Coalition governments - Liberals and Nationals - have always understood this, and have always been prepared to take action to ensure our ports can serve our economy as best as they possibly can.

“It’s clear, however, that productivity challenges remain in Australia’s maritime logistics system. These relate to competition, industrial relations, infrastructure constraints and technology uptake.”

Three weeks ago, the MUA undertook to not organise or notify any industrial action against Patrick before December 10 in return for Patrick discontinuing [its application to terminate](#) the wharfies’ protected industrial action on grounds it threatened “serious damage” to the national economy.

The stevedore moves 40 per cent of container freight at ports in Sydney, Melbourne, Brisbane and Fremantle.

The MUA has launched more than 220 industrial actions against Patrick during 18 months of bargaining in a fight over union [controls of recruitment](#) and manning levels at the stevedore.

An October report by the ACCC into the stevedoring industry identified restrictive MUA provisions, including on recruitment, work allocation, shift preferences for particular workers, outsourcing and efficient equipment use, as harming flexibility of labour supply and allocation, retarding automation, reducing timeliness and reliability and increasing labour costs.

One provision includes that 70 per cent of the workforce must be friends or family of existing employees, or chosen by the union.

The ACCC recommended changes to the Competition and Consumer Act to stop shipping lines collaborating on prices and schedules, and said more needed to be spent by government and industry on port infrastructure.

[AiGroup chief executive Innes Willox called soon after](#) for the government to amend the Fair Work Act to introduce industry-specific bans on restrictive enterprise agreement content for the ports sector, and to narrow a long-standing exemption under competition law for agreements generally.

With Parliament winding up for the year and an election approaching, Mr Morrison is seeking to turn the campaign into a fight over the economic recovery and national security.

He told the party room that people were relying on the government to keep them safe, more so than at any time since the 1930s.

### **‘Fourth quarter has begun’**

At the same time, Anthony Albanese said federal Labor would hold its first election campaign rally on Sunday, telling colleagues the “fourth quarter has begun”.

After the last election, Mr Albanese said Labor would hold its fire for most of the term and “kick with the wind” in the final quarter, which is an Australian Rules football analogy.

“We’re in the fourth quarter, and we’re kicking with the wind,” he told the caucus.

He has scheduled another caucus meeting for Friday to discuss the election campaign.

“We are competitive,” he said. “The government does not deserve a second decade in politics.”

There will be a major policy launch on Sunday and Labor will unveil its climate change policy on Monday.

Mr Albanese said it was “50:50” whether Parliament would resume next year. Mr Morrison has the option of a March election, or waiting to hand down a budget on March 29 and having an election in May.