

MUA launching rolling industrial action at DP World

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Almost 1800 wharfies will launch rolling industrial action at DP World terminals across the country next week at a time when the stevedore says it is already struggling financially.

The Maritime Union of Australia has notified bans on overtime, shift extensions and delayed start and finish times from next Friday in protest over DP World's threat to scrap the union's income protection scheme.

The bans will hit the stevedore's Melbourne, Sydney and Brisbane terminals as well as Fremantle Port, where bans will start on Tuesday and continue for seven days.

DP World CEO Glen Hilton has warned that volume loss is having a "profound" effect on its financial performance. Glenn Hunt

DP World had offered to rollover its existing agreement with a 2.6 per cent wage increase and continue income protection but has now withdrawn the offer after it was rejected.

MUA national secretary Paddy Crumlin said workers "will not be intimidated" and were "determined to ensure they received a fair reward for delivering huge profits to the company".

"DP World Australia has seen these profits off the back of huge increases in workforce productivity and it's time for the company to not only give something back but also change course on their attack on workers income protection."

'Can't afford disruption'

However, new DP World chief executive Glen Hilton told staff last week he was "extremely disappointed we have failed to reach an agreement at this point in time as the business cannot afford disruption caused by protected or unprotected industrial action".

"A period of poor service levels over the coming months will continue to harm our ability to retain our existing volumes," he said in an email.

"I will not support an EA outcome that continues to disadvantage DP World's competitive position when compared to Patrick's, Hutchison Ports and VICT and ultimately jeopardising ongoing sustainability for you, our employees."

Mr Hilton slammed the MUA's claim for a 15 per cent rise over three years as "completely out of touch with the financial outlook of the company and unsustainable in our competitive industry, which as you know includes other participants with much lower cost bases due to automated handling of containers".

He warned that weak volume growth, and shipping line decisions to stop calling in Melbourne, "are and will continue to have a profound effect on the financial performance of DP World".

"There is little or no prospect that this will change in the foreseeable future. In other words, there is no prospect of replacement volumes."

Australian Peak Shippers Association secretary Travis Brooks-Garrett said DP World was the country's largest stevedore and any industrial action "will have an immediate and significant impact on all Australian importers and exporters".

He compared the action to similar MUA work bans at Hutchison terminals in Sydney and Brisbane in January.

"While it wasn't a full blockade of the terminal, the delays compounded causing increased truck turnaround times, extra fees for importers and exporters to compensate for truck waiting times, penalties for missing slots at the wharf and other headaches," he said.

"If you apply that to DP World, a much larger stevedore with significantly larger market share, then those issues will only be magnified."

A DP World spokesman said "our first priority is our customers and we have made arrangements to minimise the impact of the planned industrial action".

He said enterprise bargaining was set to continue on March 26 but had now been cancelled following the MUA's notice of work bans.

"We have always been clear that we will not negotiate the EA under threat of or during industrial action," the spokesman said.

The industrial action will likely be partially offset by Fair Work's unprecedented requirement that the MUA give five days' notice for the action due to the "exceptional" effect on third parties.

However, MUA national assistant secretary Warren Smith warned that if "no resolution is reached, rolling strike action at all four major container terminals will commence in the coming weeks".