

**SVITZER**

SUBMISSION  
'LIFTING PRODUCTIVITY  
AT AUSTRALIA'S  
CONTAINER PORTS'

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## Introduction

Dear Commissioners,

Svitzer Australia welcomes the Productivity Commission's draft report: '*Lifting productivity at Australia's container ports: between water, wharf and warehouse*' – and the opportunity to provide a supplementary submission.

Svitzer's primary commentary in this submission relates to Sections 9 and 10 of the draft report.

## Executive Summary

The draft Productivity Commission report highlights several areas regarding workplace and industrial relations that warrant further review and reform.

Urgent changes to the industrial relations framework as it relates to Australia's ports are essential to:

- Better reflect the industry's 24/7/365 operating environment – and the inherent flexibility needed to manage this operating environment safely and efficiently.
- Provide pathways to address overly restrictive legacy conditions in Enterprise Agreements – and enhance the productivity of our ports.
- Overcome protracted enterprise bargaining periods with a greater range of dispute resolution mechanisms and intervention thresholds for independent arbiters such as the Fair Work Commission.
- Improve talent selection and development, employee engagement, diversity and inclusion.

## Section 9. Industrial Relations Issues: Comment

- i. Legacy conditions in Enterprise Agreements contain restrictive work practices that are no longer current for the efficient management of port requirements and customer demands.
- ii. For greater productivity on the waterfront, there needs to be a review of how these practices can be fairly addressed under the fair work system.
- iii. A core principle that should be integrated into the bargaining process is ensuring certainty – for both employers and employees.
- iv. The current Fair Work system does not provide an appropriate range of mechanisms for employers to reach an outcome after a protracted period of bargaining. A range of earlier and escalating intervention measures should be built into the current IR framework (FW Act and Fair Work Commission).
- v. There should be greater consideration to the harm of both protracted bargaining and protected industrial action. The current thresholds for the FWC to order the termination or suspension of protected industrial action (PIA) is too high.
- vi. Protracted bargaining damages relationships among staff and between employer and employee.

## Section 10. Training and Employment: Comment

- i. The maritime industry remains challenged in that the workforce is ageing, there remain limited pathways to enter the workforce, especially in key sea-based roles, and there are challenges to attracting younger workers to enter and stay in the workforce.
- ii. The current workplace relations environment restricts opportunities to attract diverse, new entrants to the workforce – and likewise the opportunity to share knowledge, experience and skills among staff within an ageing Australian maritime workforce.
- iii. Modern workplaces consider training and development from a whole of employee context not just tenure. A broad range of factors should be considered in how training and recruitment is and delivered for employees. This includes key factors such as initiative, teamwork, ability to identify and navigate change, the coaching of others, development potential, succession and performance. Tenure should not be the deciding factor, but it is obviously one of the factors that should be considered.

### Other matters:

#### Ports as an essential service

- i. There is significant merit in recognising core port-related operations as an essential service. 98% of Australia's freight is maritime reliant and Covid-19 clearly demonstrated the criticality of our ports and supply chain.

### Conclusion

Beyond the need for businesses to remain domestically and internationally competitive at our ports, perhaps the most damaging consequence of the industrial relations system is the human one; and the negative impact on the employee – employer relationship, workplace culture and engagement.

Changes to the current workplace relations system are essential to achieving a better balance on the waterfront. One where employees thrive and where employers can provide safe, high-value jobs while remaining a competitive, agile business able to meet modern customer demands.

We are encouraged by the recommendations of the draft report that identifies these challenges. We look forward to the final Productivity Commission report and government's action on these important matters.

For further information or any questions relating to this submission, please contact Bas Boly, Communications and Corporate Affairs Manager,

Sincerely

**Nicolaj Noes**

Managing Director  
Svitzer Australia