

MEDIA RELEASE

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Irresponsible Maritime Union rejects generous wages offer, threatens to strike

THE Maritime Union of Australia (MUA) is threatening to start 2014 with damaging strike action in support of its irresponsible industrial agenda, after rejecting a generous wages offer from a group of vessel operator employers that are critical to servicing Australia's offshore oil and gas projects.

It has been almost 12 months since the MUA and industry representatives commenced EBA negotiations that will set the wages and conditions for about 2,500 workers in the offshore oil and gas maritime support sector.

The vessel operators are being collectively represented by Australia's resource industry employer group AMMA (Australian Mines and Metals Association), and the Fair Work Commission (FWC) had chaired many meetings between the parties from August 2013 to January 2014 to assist in a resolution.

"In late 2013 in proceedings before the Fair Work Commission, the offshore maritime vessel operators presented a generous wage offer and agreement proposal to the MUA. This has now been rejected and the union is threatening to take damaging strike action that will have significant cost impacts on Australia's offshore oil and gas sector," says AMMA Acting CEO Richard Berriman.

"The vessel operators are very disappointed but not surprised by the irresponsible and short-sighted conduct of the MUA. The union has effectively both rejected the industry's very fair wage offer as well as thwarted the efforts of the Commission to work with the parties to resolve the negotiations.

"The union's conduct has been a deliberate, calculated and cynical attempt to construct a series of unreasonable demands and then justify to their rank and file the taking of strike action. It is very difficult for employers to bargain 'in good faith' with the MUA given its disingenuous approach."

In an economic environment where managing costs and improving the competitiveness of the industry is critical to the job security of Australian seafarers, the MUA has rejected an offer that:

- Would have provided a 16.5% wage increase over 4 years, well above both inflation and prevailing increases in other industries;
- Did not seek to decrease or remove any of the existing entitlements; and
- Addressed the MUA's expressed concerns about 'foreign labour'.

"The industry takes seriously the repeated assertions of the MUA about foreign labour and presented a number of proposals that met their concerns about job security for Australian workers. It was mutually understood to be agreed-in-principle, yet the MUA rejected the offer anyway," Mr Berriman says.

The industry is concerned the MUA is preparing to take strike action similar to that in 2009/10, which cost employers up to \$750,000 a day and forced them to agree to a 30% pay rise for MUA members.

"The MUA's unrealistic claims and strike threats do nothing to make Australia a more attractive place to invest in new oil and gas projects, which potentially bring thousands of jobs and enormous economic benefits for local communities," Mr Berriman says.

"Many working Australians might question the motivations of the MUA when their members work six months of the year and earn between \$170,000 and \$230,000 on average. Most members of the community would consider a further 16.5% pay increase as more than reasonable.

"It is not too late for the maritime union to show some industrial leadership and work with the vessel operator employers to ensure Australia's oil and gas sector remains sustainable and competitive."

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