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Media Release: immediate release

PM can solve IR debacle

“When the Prime Minister was Minister for Workplace Relations and Employment, she introduced regulations that applied, from 1 January this year, the Fair Work Act to foreign vessels carrying coastal cargo under permit if more than one permit was issued in the past twelve months which is the case with most of our members. The regulations have led, in our view, to unintended consequences” Llew Russell, CEO of a peak industry body – Shipping Australia Ltd, said today.

“If the industry had been consulted, we would have pointed out that we acknowledge the right of the Federal Government to apply Australia’s industrial relations laws to vessels regularly carrying coastal cargo but our objection is to the application of the word ‘regularly’. A vessel could have one container of coastal cargo and 2,500 containers of foreign cargo but still have to pay all the crew Australian wages and conditions” he said.

Mr Russell added that the additional costs involved per container would be very substantial when relatively small volumes were carried. This could cause a number of the shipping lines to withdraw from the trade and force more cargo onto the less environmentally sustainable road and rail transport or for the cargo to be imported from overseas.

We would urge the new Minister for Workplace Relations and Employment to clarify the regulations by providing for a clean ‘disconnect’ between international voyages and domestic voyages.

“This criteria is already well tested and used by Customs and Border Protection and the Australian Taxation Office” Mr Russell said.

Editor’s note

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