

Collective Organisation and Changing Patterns of Ownership: a Study of Work and Employment in the Global Hubs

Victor Gekara and Peter Fairbrother

Centre for Sustainable Organisations and Work,
RMIT University

Presentation to International Conference, ‘MNCs, Global Value Chains and Social Regulation’, Montreal, Canada, 6 June 2011 – 8 June 2011

Structure

1. Ownership
2. History
3. Union Organisation
4. Outcomes and Prospects
5. Questions and an Assessment

Port Ownership: Changes and Prospects

- Pre 1970s – predominantly state owned/operated
- 1970s/80s – privatisation
- 1990s – entry of ocean carriers as terminal operators
 - AP Mollar terminals
 - P&O terminals
 - COSCO
- 2000s – Entry of Global Terminal Operators (GTO)
 - Port of Singapore Corporation
 - Hutchison
 - Dubai Ports World



Unions in Ports

The Unions:

- Maritime Union of Australia (MUA) = 10, 760 mbrs in 2006
 - shipping, stevedoring, port services (tugs), hydrocarbons (oil and gas rigs) and diving
- Transport Workers Union (TWU) = 88,215 mbrs in 2006
 - aviation, oil, waste management, gas, road transport, passenger vehicles and freight logistics
- Rail Tram and Bus Union 32,429 mbrs in 2006

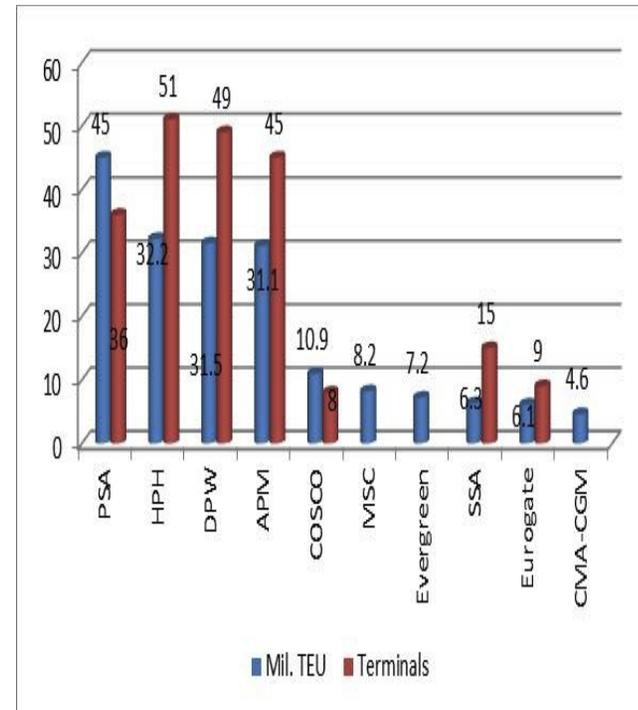


Port Ownership

Global Terminal Operator Influence

- By 2001:
 - GTOs = 35% of terminal operations
 - 42% = containerised cargo handled by GTOs
- World handling capacity as at 2002:
 - 55% GTO
 - 22% smaller/national operators
 - 24% public (government) operators
- Top 10 GTOs share of total cargo handled:
 - 2001 = 41%
 - 2006 = 60.9%
 - 2009 = 64.6%

Shows number of terminals operated and amount of cargo (TEU) handled in 2009



Source: Drewry (2010) Annual Review of Global Container Terminal Operators

Global Terminal Consolidation

Emma Maersk, the largest at 11000 TEU capacity. L 397m and 56m beam; depth 30m

Factors:

- Globalisation and neoliberalism
- Growing ship sizes
- Prohibitive development and operating costs
- Reduced efficiency and productivity of government ports
- Transparent concessioning by governments



- Only a few terminals globally have the capacity to accommodate and service the latest generation of meg ships.
- Only GTOs have the resources to operate such terminals

Port Ownership in Australia

- Australia is divided into 6 states and the Northern Territory
- Ports are considered strategic state-institutions
- Port ownership and administration models differ from state to state
- The landlord model is however predominant
- In very few cases do you find pure public (QSL)/ private (SA) models



Major Container Ports in Australia

- There are three main functional port categories:
 - Container
 - Resource (bulk) ports
 - Roll-on Roll-off ports
- The main container ports include:
 - Melbourne 21mil TEU
 - Sydney 15 mil TEU
 - Brisbane 8 mil TEU
 - Fremantle 6 mil TEU
 - Adelaide 3 mil TEU



Terminal Operators in Australian Ports

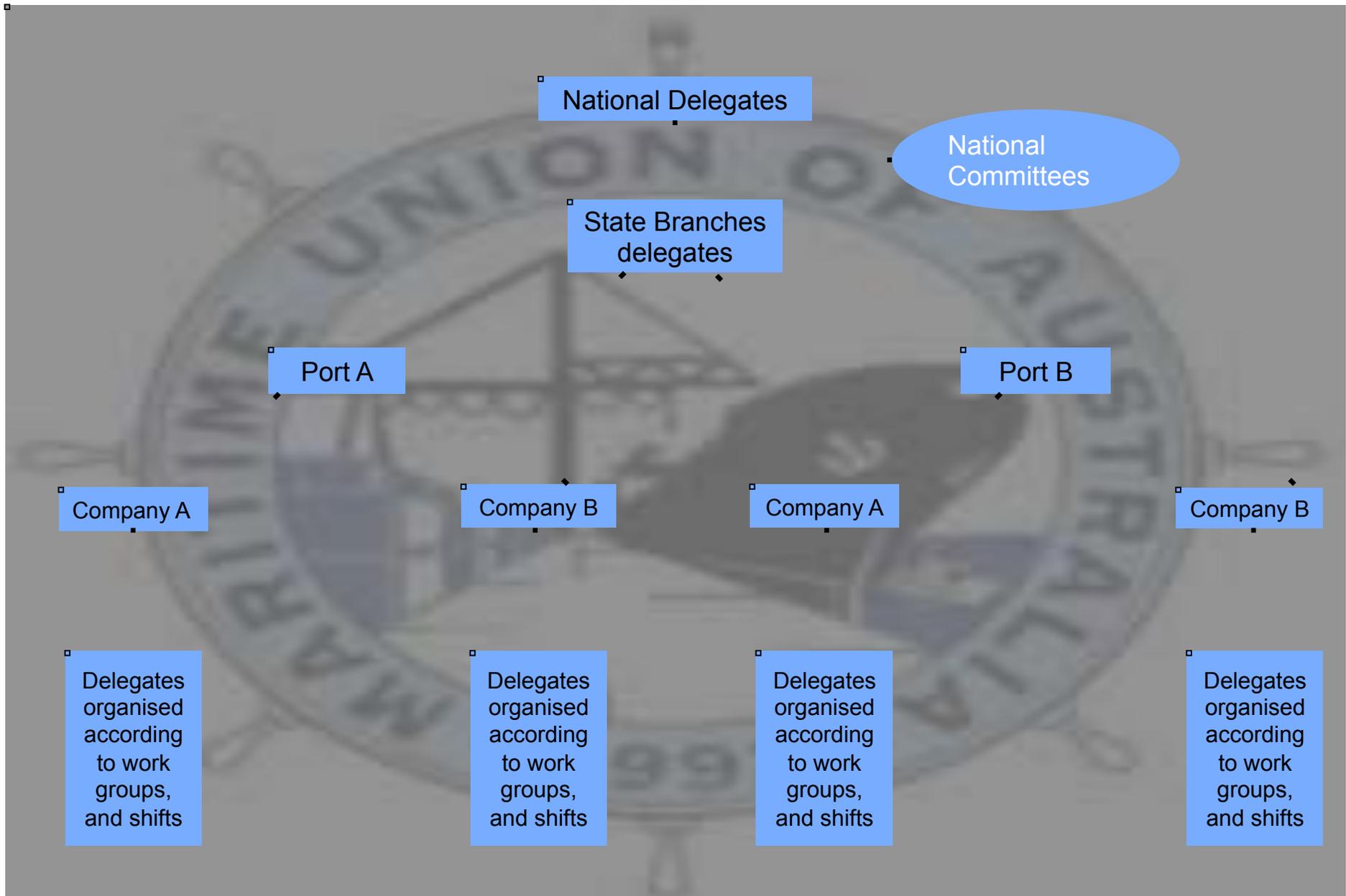
- Patrick
 - Brisbane, Melbourne, Fremantle and Sydney
- DP-World
 - Melbourne, Sydney, Brisbane, Adelaide
- Hutchison
 - Underway in Brisbane, Sydney
 - Soon to come to Melbourne



DP-World and Patricks Terminals at the Port of Melbourne

Unions at Work

MUA Organisation and Representation



MUA Enterprise Bargaining

- Branch leadership coordinate with the committee to formulate claim
- Committees are company based and cover a nationwide scope, e.g. the Patricks committee comprises 76 members drawn from all Patricks terminals nationwide
- Agreements are tiered:
 - Part A covers the whole country
 - Part B covers specific branches
 - Part C covers a specific port
- This model is also adopted by the other unions operating in the broader ports industry.

Transport Workers' Union

... this particular union works best with a rank and file committee management, as we have.

We had a meeting yesterday, as it happened, and we got 17 people around this table, including myself, and 10 of them are from big yards - the TNTs, the Tolls and Murray-Goulburns, and people like that. Over time, what happens is you build up a structure and done pretty solid work on leadership and personal development of our people. We feel pretty proud of that work that we've done there. (Leader, TWU, 17 June 2009).



Inter-union Organising

One interpretation:

The integration of logistics, transport through the establishment of a multi model transport companies is happening and the [Working Group] is a logical step now for three unions to take. Noting that this is not an amalgamation in any way, shape or form but a way for our unions to co-operate for the benefit of our memberships. Members of the MUA fully support this initiative. (MUA Leader, June 2007)

What does this mean?

Issues for the Port Terminal Unions

- Increasing work rationalisation

- Growing casualization.

- Training:

Aim: train and promote internally not transferring across terminals

But

They want me to train everybody in everything, I am sorry this is simply not practical (Terminal GM 2010)

Solidarity

- Workplace and Company
- Intra - union Organisation
 - Union by union
 - Company by company
- Inter-union Organisation
 - ITF Working Group (2004 -)
 - Australian Transport Federation(2009 -)

Questions

- Why has it been that union action at the port has focused mainly on Patrick and not the other operators?
- Considering the lack of action in the DPW/Hutchison terminals, should it be assumed that MUA members in these terminals are more content with their employer or less involved in MUA activity?
- To what extent has the MUA sought to establish links with unions representing workers in DPW/Hutchison terminals in other countries?
- Where does inter-union solidarity fit into the account?

A Tentative Assessment

1. Thesis: unions set the scene for workplace relations and regulation and port terminal operators respond
2. Unions proactive
 - History:
 - Leverage Strategy:
 - Building Inter-union Capacities

A union strategy to redefine regulation of ports

Conclusion: The Challenge of MNCs?

1. Union organisation and capacity
2. Ownership and Presence
3. Messy history of struggle
4. Reconsider the way we look at unions and capital