



Media Statement

Monday, 14 September 2020

Patrick calls for calm as MUA industrial action cripples Port Botany

Industrial action by the MUA has crippled Port Botany with production at Patrick's terminal cut by 40% in the past week.

The MUA is currently taking protected industrial action against all three stevedores at Port Botany, Patrick, DP World and Hutchison. The action has led to delays and congestion which this week saw shipping lines impose congestion charges costing importers hundreds of dollars per container.

At Patrick, work bans and other industrial action have seriously impacted productivity with only 60 crane teams being available last week compared to the average of 100 teams a week.

Shipping lines are incurring significant costs as a result of delays, including vessel operating costs of approx. \$25k per day and additional handling costs for containers that are being redirected through Melbourne and Brisbane.

The shipping schedule has slipped dramatically, with ship delays conservatively estimated at 9 days as at 11 Sept. Shipping schedule delays will grow by approximately half a day for every day this industrial action continues.

The MUA is demanding 6% annual payraises for each year for the next four years. Patrick estimates the MUA log of claims will cost the business around \$40 million per year.

Patrick CEO Michael Jovicic said he was shocked to read comments in the media from MUA boss Paddy Crumlin that there were no serious impacts being felt at Port Botany from the MUA industrial campaign.

"I think Mr Crumlin needs to get out of his office and drive down to Port Botany and see for himself what is going on."

Mr Jovicic said "We have spent months negotiating with the MUA and trying to de-escalate the issues but have been met with outright rejection of the company's offers.

"I have to say I'm bewildered that the MUA would try this on during a pandemic particularly when the average permanent employee is currently paid approximately \$155,000 a year with the top earners receiving more than \$200 thousand a year."

“The MUA leadership needs to calm down and come back to the negotiating table. Their current behaviour does them no credit.”

Patrick has offered guaranteed payrises of 1.5% and 2.5 % over four years. Patrick will continue to try to negotiate a deal with the MUA and we call on them to engage in constructive and positive discussions.

Patrick has also contacted DPW and Hutchison for support during this period, however due to industrial action at both of their sites in Sydney they are unable to help us. Our understanding is that delays are growing at their terminals also.