



ESPERANCE PORTS

Sea & Land

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Esperance Port Rejects Union Claims

Esperance Port has rejected MUA claims that it has not acted in good faith, has not been prepared to negotiate a pay increase for Port workers and was unwilling to compromise.

Port CEO Michael Frydrych said that the offer made to the workers before last Monday's strike was a substantial package with a cumulative increase of about 25 percent for the three year term of the EBA.

This comprised a significant wage increase and a raft of other benefits, which was going to cost the Port an extra \$780,000 annually in wages and benefits for its 80 employees covered by the agreement.

The current wages bill for these employees was about \$6.2 million annually.

This offer was rejected by the MUA and its members went on strike on Monday.

The claim being made by the Union had a cumulative increase of more than 31 percent over three years and would have added \$1.1 million annually to the Port's wages bill.

Following this action, the Port rescinded its offer and reverted back to an earlier offer that was valued at more than 23 percent in wages and other benefits over the three years of the agreement.

Mr Frydrych said the Port had always been willing to meet with its employees and discuss outstanding issues in good faith, but believes that the negotiations have been hijacked by the MUA which seems to have a national strategy that ignores local conditions and needs.

"For a relatively small Port that has not been profitable for a number of years, we cannot sustain the pay rises being sought by the MUA," Mr Frydrych said.

"We operate like any other business and it is wrong for the MUA to think we can ask the State Government for more money to meet employees' pay claims, which in effect means that they are asking taxpayers to pay their demands.

"The offer we have made effectively removes the profit the Port was hoping to make this financial year and which we have been working very hard to achieve."

Mr Frydrych said there was a view that a lot of money was available because of proposed future developments at the Port.

He said that the while the development had been given the go-ahead in principle, a lot of work needed to be done before any construction started at the Port.

“We can’t go spending perceived profits before they are made, particularly as any increase in cargo handling will be more than three years away,” Mr Frydrych said.

“We believe that the vast majority of our employees are dedicated to the Port’s future and we look forward to working with them to achieve a good outcome for all concerned.”

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