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Media Release

Patrick to be hit by seven day MUA industrial action

Australian stevedoring company Patrick today confirmed it has received notification of further action by Maritime Union of Australia (MUA) workers at all four of its container terminals, beginning Wednesday 25 May 2011.

The industrial action will run for seven days in Sydney, Melbourne and Fremantle with Brisbane impacted for six days. The action in the form of bans and limitations will stop the movement of approximately 50% of Australia's containerised trade, directly impacting 32 vessels and 35 thousand shipping containers.

The knock-on effect of the MUA action will be felt by importers and exporters for months as vessels are significantly delayed and international schedules directly impacted. Patrick Director Paul Garaty said, "The impact of the bans will render us inoperative, and our Brisbane, Melbourne, Fremantle and Sydney Terminals will grind to a halt.

"This will have a huge impact on Australian importers and exporters hurting everyone from small businesses awaiting deliveries to Australian farmers exporting their goods to market, and the transport industry who are reliant on container trade to make a living.

"These businesses have already borne the brunt of the MUA's actions, including stoppages across our operations, over a month of illegal strike action at our Melbourne terminal and labour availability issues at our Sydney terminal which restrict the use of our cranes.

"We are again witnessing the actions of a union who are happy to hold the country to ransom in pursuit of its claims.

"The Union issued this action less than 24 hours after the Company put an offer to their representatives. Given the timeframe it is unlikely the MUA even had time to put our offer to their members before announcing another round of action against us again demonstrating their lack of commitment to good faith bargaining or willingness to reach a genuine agreement.

"Despite the MUA suggesting it has made big concessions in reducing its claim to \$32 million (a cost of \$32,000 per employee) they are pursuing a wage outcome far in excess of community norms and are continuing to ignore our need for productivity offsets. We are not close to an agreement," he said.

Patrick's most recent offer includes a four percent wage increase with an additional one percent offered if internationally recognised safety, productivity and efficiency targets are met to ensure that the



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Company remains competitive in a changed Australian marketplace. The Company has also offered improved pay and working conditions for its permanent part time employees and increased redundancy from 40 to 52 weeks for all employees.

ENDS

Background

Patrick employees currently work on average 35 hours per week or 185 days per year for an average salary of \$100,000. The Union's revised claim will cost the company \$32,000 per employee without any change in productivity. The cost of the union claims over each of the three years are \$32 million, \$39 million and \$50 million respectively without productivity offsets.

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