



PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

**SPEECH BY THE PRIME MINISTER
LAUNCH OF 'SHIP TO SHORE'
MELBOURNE - 21 NOVEMBER 1990**

There is no container port of greater significance in Australia than the Port of Melbourne. It is Australia's largest port with assets of over \$1 billion; it generates annual income of \$120 million; and it handles around 40% of Australia's container traffic.

And as Rupert Lockwood's book 'Ship to Shore' comprehensively proves, there can surely be no port with a more colourful past - dating back to the earliest days of European settlement of the Port Phillip area.

It was here that the excitement and chaos of the Gold Rush was so vividly experienced; it was here that the new Melbourne Wharf Laborers' Union - the predecessor of the Waterside Workers' Federation, formed 105 years ago - helped pioneer the arbitration system; it was here that the dislocation and trauma of the Depression spilled over into violence and bloodshed; it was here that war time and boom time and the modern technological revolution have forced the pace of dramatic change.

Given such a sweep of events, a well-told and well-informed historic record is essential; we should be reminded both of the defeats and the victories, the failures as well as the successes. With 'Ship to Shore' we now have such a record, and the Melbourne branch of the Waterside Workers' Federation is to be congratulated for its initiative, and Rupert Lockwood congratulated for his efforts in telling this story.

The Federation and the Australian Labor Party go back a long way together. When your national Federation was launched in 1902 in Australia's first Parliament House - that is, the Parliament House in Melbourne - it was headed by a committee of Labor politicians. Lockwood disparagingly refers to this group of men "who, with one exception, had never clutched a cargo hook".

2.

But I don't want to dwell on the past - as richly embroidered with larger-than-life figures and events as it is. To do so would be a lost opportunity, because there is so much that is important happening now, that has profound and enduring effects for the future of Melbourne's, and Australia's, waterfront.

What we are seeing at present is nothing less than a sweeping transformation of the attitudes and the institutions of the waterfront.

The reason I was happy to accept your invitation to address you today is that it provides me with a very welcome opportunity to recognise the role of the Federation in this great transformation - and to congratulate the Federation and all its members for the positive and constructive contribution they are making to it.

The Federation's dealings with Victorian farmers illustrates just one aspect of this transformation. For many years, relations with the agricultural sector of this State - a sector that relies very heavily on the waterfront to ensure its produce reaches the markets in time and in top condition - were not exactly close.

It's very much to the credit of both sides that these problems have been addressed in a frank and commonsense way - at the negotiating table, face to face, as they should be. This has made both sides much more informed about each other's needs and processes.

The last few years have seen such a dramatic improvement in relations that visits up-country by waterfront workers, and visits to the port by farmers, are now regular events. Today it is a particular pleasure to know that this audience includes a number of farmers' representatives as the special and welcome guests of the Waterside Workers Federation.

In this small but significant way you have successfully demonstrated the truth of one of the central principles of my Government. It is only by working together and by recognising each other's point of view that Australia as a whole will gain the capacity to build a new era of economic productivity and prosperity.

Before I talk about the details of waterfront reform, I want to put it in its proper perspective - the perspective provided by more than seven and a half years of Government, in which we have consistently followed a strategy directed at improving the quality of life for all Australians.

Our strategy has seen consistent pursuit of these goals:

- . sustained and sustainable economic growth;
- . continuing employment growth;
- . controlled and equitable wage growth;

- . increased efficiency and international orientation of the economy - aiming at a transition to a competitive world class economy fully enmeshed in the dynamism of the Asia-Pacific region;
- . a fairer society created through radical welfare reform, with the emphasis on better services for families and for the aged and sick; but all of this within the context of unprecedented financial responsibility and restraint;
- . a clever country in which intellectual skills are prized and harnessed to the broader needs of the community; and
- . an environment safeguarded for future generations through policies of ecologically sustainable development.

Everybody in this audience will be familiar with the phrase micro-economic reform. Indeed more than most Australians, you are at the front line of micro-economic reform. I want to make sure today that you understand the direct and integral way in which micro-economic reform contributes to the pursuit of these broad goals.

The transformation we are seeing on the waterfront, taken together with the sweeping reforms across the whole spectrum of the Australian economy, is starting to yield the benefits we seek for all Australians: better employment prospects, a more capable and diverse export performance, and higher productivity, opening the door for a steadily stronger Australian achievement in the competitive markets in the world.

The Federal Government has overhauled the system of taxation in this country, introducing a fairer and more efficient system in which all Australians pay their fair share. We have fostered a more cooperative and constructive approach to industrial relations in this country. We have slashed the inefficiencies of tariff protection, liberalised the financial system, and improved the management of Government Business Enterprises.

During the last election campaign I promised to accelerate further the pace of such micro-economic reforms. You will be aware that only a fortnight ago I delivered to Parliament a comprehensive statement of our achievements in this regard - achievements that we have recorded in the last eight months.

I referred to the recent Special Premiers' Conference at which the Premiers, Chief Ministers and I were able to achieve lasting reforms in a genuinely constructive and positive atmosphere - a very welcome change from the normal, somewhat acrimonious, tone of such gatherings.

We recognised the truth that if we are credibly to seek a more efficient and dynamic performance from employers and workers in the private sector, we had also to make sure that the public sector is as efficient as it can be.

For the Federal Government, we have over the past seven and a half years steadily built a leaner public sector that is better focussed on its essential tasks.

At the Premiers' Conference we embarked on a new effort to make the federal system itself - the way the three tiers of Federal, State and local government relate to each other - more efficient and better attuned to the demands of our complex modern society.

Never before have the heads of all the Australian Governments been able to achieve such progress in this task. Among our achievements, we signed an agreement to bring new investment and improved performance to rail freight, and complementing this we were able also to start work on improving the funding and standards of road transport.

Parallel to all this, the Australian Labor Party has pioneered a dramatic change in Australia's telecommunications industry. As a result, there will be new investment, new jobs, new exports, and for consumers, cheaper services and greater choice - all within the context of a strong public sector involvement in this vital industry.

And we have at last liberated domestic aviation from the dead hand of the two-airline agreement, opening the door to new services and lower prices.

This is the context of determined and dynamic change in which the Government's commitment to reform of the waterfront must be seen. Let me today spell out what the key elements of the Government's approach have been.

First, we made sure that we knew, and that all of the other parties involved in the waterfront knew, just what the existing problems were. We didn't rush in with a confrontationalist approach that sought to shove some ideological remedy down people's throats.

After a very deliberate process of examination of the industry's problems and needs, we announced on 1 June 1989 - a date that will loom large in future histories that will be written of the Australian waterfront - a comprehensive three-year reform process for the waterfront that promises major labour productivity gains.

Quite simply this is the most comprehensive program of reform ever undertaken on the waterfront; it will usher in an entirely new era of efficiency and growth for your vital industry; and in so doing it will ensure that Australia as a whole is a more productive and competitive force in the world economy.

The program concentrates on two key areas.

The first, covering stevedoring and container depot industries, commenced with the establishment last year of the Waterfront Industry Reform Authority.

This authority is overseeing the implementation of the agreement, negotiated between the Government, ACTU, and key waterfront employers and unions, that will massively restructure employment arrangements.

Enterprise employment at major ports will replace the existing industry-based system.

The workforce will be rejuvenated with the offer of early retirement to 3,000 older employees and recruitment of 1,000 younger new entrants.

Award restructuring will develop greater labour flexibility.

Regional ports will become more efficient with new labour arrangements aimed at phasing out cross-subsidisation of stevedoring labour costs.

Most importantly, the process has now led to the achievement of the first enterprise agreement between a major employer and the Waterside Workers Federation - the historic National Terminals agreement.

The second element of the reform program involves State and Territory Governments in reform of Port Authorities.

The Governments of the six States and the Northern Territory have given their full support to the Inter-State Commission's recommendations that affect them.

Operations of port authorities are being commercialised and pricing practices are being reformed. The Australian Transport Advisory Council has a continuing role in review of the progress being made.

There is a long way to go, but we already have some runs on the board.

- . The Australian Wheat Board estimates that new stevedoring arrangements for bulk grain will save \$2.7 million a year.
- . Gangway watchmen reforms will save about \$30 million per year.
- . The initial intake of 213 new employees has completed training and is at work.

Its a pity that Bob Collins is unable to be here today. As Minister for Shipping he has been tireless in helping bring about these changes. Many of you will have met him and so you will know his determination, through consultation and first hand understanding of the industry, to achieve significant and sustainable reform in this key industry.

But I want to take this opportunity to underline how much he, and the Government as a whole, appreciate and respect the way in which the trade union movement - and this Federation in particular - have supported these reforms.

Without your active support, of course, no progress could have been achieved. That would have been a tragedy for the Australian economy as a whole - and it would have been a betrayal of the best interests of your members.

But with your support, we have achieved gains which benefit your members and all Australians.

You have played a vital role in developing an interim award agreement that will facilitate award restructuring and the negotiation of enterprise agreements.

With your pending amalgamation with the Australian Foreman Stevedores Association and the Seamen's Union of Australia, you will be taking a giant stride towards more effective protection of your members' interests and more speedy negotiation with employers.

And all of this - take careful note, all those who suggest that confrontationalist industrial relations might be a preferable course - has been achieved without industrial disputation.

It has indeed been the very model of how negotiated reforms can achieve lasting benefits to all parties.

The publication of "Ship to Shore" broadly coincides with the first centenary of the Federation's existence at the port of Melbourne. As a result of your support for these reforms, you have made sure that waterfront unionism will continue to be a strong and relevant factor in Australia's ports well into your second century.

* * * * *