Date Introduced: 5 September 1984
House: House of Representatives
Presented by: Hon. Ralph Willis, M.P., Minister for Employment and Industrial Relations and Minister assisting the Prime Minister for Public Service Industrial Matters.

Short Digest of Bill

Purpose

To allow the re-financing through the Stevedoring Industry Finance Committee of a $15.5m loan taken out in May, 1983 by the Association of Employers of Waterside Labour. In turn this will permit the Association of Employers of Waterside Labour to raise new loans to cover, amongst other things, the cost of redundancy payments to ancillary staff (clerks, other supervisory staff) retrenched as a result of technological change on the waterfront.

Background

The Stevedoring Industry Finance Committee (SIFC) is a body corporate which came into existence following major changes in 1977 to Commonwealth legislation covering the stevedoring industry. The Committee, which is a tri-partite body comprising representatives of the Association of Employers of Waterside Labour, the Broken Hill Proprietary Company, the Australian National Line, the Waterside Workers Federation and the Australian Government, administers two separate sets of statutory levying arrangements. These are:

- the General Levy on man hours which finances employer's retirement fund contributions, long service leave provisions, administration costs, the port conciliation and arbitration service, and, in non-permanent ports, attendance money, guaranteed wage and retainer and annual leave; and
the Special Levy on tonnages and on man-hours Employed on bulk cargoes, which has been used to pay out the so-called Australian Stevedoring Industry Authority Deficit.

Included in the SIFC's powers under the Stevedoring Industry Finance Committee Act 1977 is the power to enter into arrangements with the Association of Employers of Waterside Labour (AEWL) with respect to the provision of services of an administrative nature which assist the Committee in the performance of its functions. The Committee also is able to make payments to the Association in respect of the provision of those services.

The SIFC, under the 1977 Act, also has power, under certain circumstances (section 8), to reimburse the AEWL or an employer for payments made by the AEWL or an individual employer in discharging any obligations under relevant awards.

The Association of Employers of Waterside Labour is an organisation of employers registered under the Conciliation and Arbitration Act 1904. Like the SIFC, the AEWL also administers a number of levy schemes.

Since 1966 considerable technological change has taken place on the waterfront. These changes have led to substantial numbers of redundancies. For example, the number of "A" register waterside workers has declined from 21,259 in June 1966 to 6,489 in July 1984.

Under the post 1977 arrangements both the SIFC and the AEWL have borne a large part of the responsibility for ensuring that such redundancies as do occur in the industry do not give rise to industrial disputation.

A study conducted by a firm of independent consultants in 1983 revealed that it was necessary to reduce still further the number of waterside workers employed in Australian ports. As under the pre-existing arrangements it was beyond the capacity of the AEWL to fund these redundancies it approached the Government with a proposal that industry redundancies be financed through the statutory levy arrangements.

The industry also proposed that a loan of $15.5m taken out by the AEWL in May 1983 be re-financed through the SIFC to enable the Association to borrow further funds to deal with redundancies amongst ancillary labour. That proposal was given the general support of various user and other interest groups which were approached by the SIFC.
On 1 August 1984, the rates of levy under the Special Levy Scheme administered by the SIFC were raised as part of a package of measures designed to re-finance redundancies with the industry. The present legislation also forms part of that industry sponsored package.

Main Provisions

Clause 3 of the Bill introduces a new section 8A into the Principal Act, the Stevedoring Industry Finance Committee Act 1977. The new section specifically authorises the SIFC to pay to the AEWL an amount sufficient to enable the AEWL to discharge its May 1983 loan with the Australian Industry Development Corporation (AIDC).

The clause also allows the SIFC to reimburse the AEWL for interest payments on the principal loan as well as the cost of repaying the loan early.

Subsections 8A(2) and 8A(3) are directed to ensuring that the funds provided are applied in accordance with the stated objectives of the Government and the SIFC.

Remarks

The Minister stated in his Second Reading Speech that the proposal has the general support of various user and other interest groups as well as the support of the AEWL and the SIFC.[1]

For further information, if required, contact:

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