



A MODEST FARMER

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Shipping feather bed attracts large crew

Last week we had a quick look at the occupants of the shipping feather bed. This week we will examine the groups who service it.

Strange as it may seem, the most dedicated supporter of the conference shipping system is the Government.

Indeed, they actually helped construct the bed by giving the shipping conferences exemption from the restrictive trade legislation so they can act in restraint of trade as no other groups can.

So the Government pretty well owns the bed.

Why are they so attached to it?

The first and easy answer is that they also lie on it with the shipowners.

The Australian National Line, when it went into overseas shipping, elected to do so as a member of a shipping conference.

The public reason for this decision was that they would then have a window through which they could get a good look at the somewhat murky conference scene.

They may have hoped then they could reform the conference system from within if reform was needed — if, indeed, it was found that the conferences were pulling the wool over our eyes.

So the Government's shipping line is on the conference shipping feather bed with the other passengers. This is one reason the Government supports the system.

But there are other reasons.

For instance, the conferences have an unofficial arrangement with many cargoes, which they call the Pan Australian freight rate.

I understand the freight for meat shipped from Wyndham to, say, New York is the same as from Sydney to New York.

Clearly it costs more to lift the Wyndham meat and this would be reflected in their freight rate if these conference arrangements were not made.

But now it is all done by the conferences and I can see how attractive this must be to governments who love a quiet life and who otherwise would have to make public arrangements that are usually hidden away.

There are other groups who service the shipping bed.

One is the Shippers' Council which I mentioned last week.

But a much more powerful group are the men who work on the waterfront, the wharfies and clerks.

Because the conferences have known they can usually recover increased stevedoring costs by united conference action of increasing freight rates, there has been, in the past, if not now, an alarming tendency for shipowners to give in to unreasonable demands by waterfront workers.

As I have often said, you can always tell a man dining out on an expense account by the enthusiasm with which he summons the waiter.

If shipowners had to pick up the tab for increased handling costs, they would fight more fiercely to contain them.

But this is not necessary when these costs can be so smoothly passed over to the shippers.

Many of us feel this habit of the conferences bowing to union pressure is the greatest handicap the conference system has imposed on us.

But this is never even mentioned when the conferences defend themselves in public.

The result of the Government and the conferences continually backing away from this problem has left us with cargo handling costs that has just about ruined conventional interstate shipping and it may well do the same for conventional overseas shipping.

Another group who could be expected to defend the system with ferocity is the painters and dockers.

They evidently regard it as fair game for almost anything.

It is only a few years since a royal commission spelt out the blackmail tactics by which this union had been extracting large sums from shipowners which were used, not for union purposes, but for feathering the pockets of the union officials.

At present there is another inquiry afoot into far worse goings on.

So we would expect the system to be well supported by the painters and dockers.

Most of my criticisms so far have been about overseas shipping arrangements.

But one of the greatest crosses the Australian economy carries is our Navigation Act that ensures interstate cargo is carried on Australian ships.

So the freight from Sydney to Perth is more than from Sydney to London, going past Perth on the way.

This immense and extravagant feather bed is in the tender care of the Department of Transport.

If ever there was government intervention that should be looked at, it was this.

But this would lead to a considerable disturbance on a large and luxurious feather bed so I presume it will be left undisturbed.

BHP and IAC have spelt out how it is damaging our development but we must not rock the boat.

Once people settle down with the government on a really comfortable feather bed, they take a bit of shifting.