

SEA FREIGHT — REGIONAL WESTERN AUSTRALIA

Motion

HON KYLE MCGINN (Mining and Pastoral) [11.32 am] — without notice: I move —

That this house calls on the McGowan government to —

- (a) recognise that regional Western Australia has the opportunity to develop ever-closer sea freight trading links with Asia in a post-COVID-19 world and focus on Western Australian employment; and
- (b) support shipping initiatives and direct general shipping for ports in the Pilbara and elsewhere up the coast, including provisions for future emergency transport needs.

I am very happy to move this motion today for debate here in the Legislative Council. As members are well aware, before coming to Parliament, my background was in seafaring, and I am very proud to say that I am an Australian seafarer and a member of the Maritime Union of Australia. It is almost becoming like sightings of the Loch Ness monster or the yowie to spot an Australian seafarer these days, and, quite frankly, it is sad. I am a second-generation seafarer, and if I have kids, it will be very unlikely that I will see a third-generation seafarer in my family. In the limited time I have, I will touch on many points, including flag-of-convenience shipping, state shipping, emergency situations when shipping would assist, opportunities for Western Australian ships to export into and import out of Asia, the *Ruby Princess* and other matters relevant to this motion.

We are an island nation. Simplified, we are surrounded by water. We move trade around the country from all sorts of industry. We also import and export ridiculous amounts of trade, so it is easy to say that we rely on shipping in this country. Knowing this, we would think that Australia would have a strong, flourishing shipping industry filled with Australian workers on ferries, state ships, export ships and more powering the wealth of our nation. But, honourable members, it is a far, far cry from that. We are on our knees in this country. There have been unwarranted attacks, followed by more unwarranted attacks from our federal government, particularly the Liberal–National government. Ships have been taken off the coast and replaced with foreign-manned ships. I will remind the house, as I have spoken on this before, of the putrid treatment of Australian workers on board the *MV Portland*. This was an absolutely disgraceful situation. The *MV Portland* carried cargo for Alcoa. I think the opposition has a former boss of Alcoa sitting in its ranks in the other place, and it would not surprise me if he was part of the decision that was made. This ship, which was full of Australian workers, carried cargo between Kwinana and Portland, Victoria for over 27 years. In those 27 years, there was not one industrial stoppage, so there were no issues with that domestic trade. But Senator Michaelia Cash and her cronies, in the form of security, dragged Australian workers down the gangway, kicked them off their ship in the middle of the night and frogmarched foreign labour up the gangway. They replaced Aussie workers in good quality jobs with exploited foreign labour. The *MV Portland* was a domestic trade ship, not a foreign ship. How is it that in our country, as an island nation, we allowed jobs to be stripped off our coast, despite the fact that the federal government was providing financial support to Alcoa? It is absolutely shameful that we are providing support to a company to replace Australian jobs. Just to be very clear, domestic trade means that this vessel never left the country. The vessel undertaking this route between Kwinana and Portland, Victoria has now been replaced by a foreign-flagged vessel with foreign labour on it. It is domestic trade; the ship did not go overseas.

As a proud ex-union organiser for the MUA who represented seafarers and waterfront workers right across his country, I have seen the disgusting treatment of Australian seafarers by federal governments. What concerns me more is that the disgraceful multinationals and their owners, such as BHP, Rinehart, FMG, Rio Tinto and all their other friends, like to put out fluffy media releases and TV ads, like the one by “the Big Australian”, begging Australians to believe that they are supporting Aussie workers. Why is it that on mine sites we have Aussies? Foreign labour has been brought in sometimes on construction jobs, and I know that there were some issues with foreign labour at Roy Hill; however, Australians fill these roles the majority of the time, as has been mentioned many times in debates about fly in, fly out workers. But as soon as the product leaves the mine site, that is it as far as local workers are concerned. Those companies spruik local employment and economy building in Western Australia, but at the same time they export everything on foreign-manned ships under flags of convenience, such as Panama or Liberia. The ships are not Australian-flagged, so they have no loyalty to this country whatsoever. It infuriated me to see Twiggy Forrest cracking a bottle of wine on the hull of a ship in the north west and saying how proud he was to have an Aussie ship when he knew that he was going to fill that ship with cheap exploited foreign labour. I remember having a conversation with BHP early on in my term, pushing for it to return Australian seafarers to our coast. After all, BHP is exporting our resources. I asked whether BHP had any ships manned with Aussies—any Aussie ships. I was told, “No, we do not. Our shipping is what you would call ‘Uber shipping’.” Companies basically go to market with however much tonnage they are going to export and ships from overseas sit at the harbour on anchor, put in the lowest bids they can, get the work and take it overseas. We are mining the goods, transporting

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them to the port and then wiping our hands of them. There needs to be a better connection with Australian workers taking our resources overseas, which would protect us in times of crisis such as the one we find ourselves in now.

Here are some quick facts on flag of convenience. There were over 9 315 vessel visits to Western Australian ports in 2019. How many jobs could there have been from that? In 2019, Western Australia received the highest number of complaints under the Maritime Labour Convention 2006. Thirty-nine per cent of these complaints were because of the underpayment of wages. So, not only are they getting paid pennies, but also they are not even getting paid.

Regional Western Australia has the most to gain by seeing Western Australian ships work our coast. There are many opportunities for us to have safer and more reliable transport. Australian seafarers are reliable and loyal and have Western Australian priorities at their core. I get a bit emotional when I talk about state shipping, so bear with me, members. WA had a proud and powerful state shipping industry—the keyword is “had”. In the early 1900s, similar to today, we had an unreliable private shipping industry. When I say “unreliable”, I mean that companies were working their contracts for their foreign investors, so they did not have state matters as their highest interest. Towns like Wyndham, Derby and others in the north west faced famine and were not getting supplies. This forced the state to open the State Shipping Service. Our service started in 1912, with the first state ship, the *Una*, coming from petitioning and lobbying. Merchant seamen on state ships have always had involvement in wartime, from saving crews from sunken ships to being bombed, as the *Koolama* was alongside the Wyndham port by the Japanese.

Not only did state ships do cargo operations that were vital to this state, but also many ships doubled as passenger ships right from the start until their demise in 1970. Think about this, members: we rely heavily on tourism—tourism, tourism, tourism is something that we say—and the first tourists to the north west came from state ships. Across regional WA, a massive talking point has been the high cost of airfares. Depending on the season, we can see road closures that cut off parts of the north, and after the COVID-19 pandemic—just as we did before it—we will want international tourists to visit all our great holiday destinations, such as Exmouth, Coral Bay, Shark Bay, Karratha, Karijini, Broome and further into the north. I strongly believe, and have done for many years, that there is an industry for state shipping, not the same model as previously, but an industry that will grow tourism, power WA and give us safety along our coast. Think back to the floods in the Kimberley in recent years, when WA roads were closed and communities were cut off. If we had had a state ship, the trucks that were lined up at the border could have made their way to Port Hedland or Karratha, loaded critical supplies like food onto the ship and delivered it up the coast. Over Christmas, our border was shut on Eyre Highway out near Kalgoorlie, while at the same time the border was shut in Kununurra, and a bushfire was raging in the goldfields, so we were cut off. Luckily, this did not last long enough to be catastrophic. Having even one state ship running around the coast and interstate could have been crucial to bringing in much-needed supplies.

There are proposals for a state ship that is half cargo, half passenger ship. Imagine if we had a state ship full of Australian skippers, Australian officers, Australian seamen and Australian engineers departing from Fremantle with Western Australian and international tourists and also with cargo destined for the north. The number of trucks on the roads would be reduced. Regional roads have enough issues with trucks damaging them and there are also the dangers of truck driving. This would reduce the number of truck movements. The ship could stop in places such as Exmouth and passengers could jump off, enjoy all the great tourism opportunities there and then get on the return sail. It could stop in Karratha, Hedland, Broome or Wyndham and then head over to Singapore, the gateway to Asia. We could get into Singapore directly on a run that is guaranteed to be on time all the time. At each port, passengers could disembark and cargo could be unloaded or put on to head further north. Cargo could ensure that the tickets for passengers were cheaper. We could supply directly into the Singapore market some of our world-class beef from Broome. I really want to see abattoirs opened up and boxed meat sent overseas directly from Broome into the Singapore market. I think there is an opportunity there. All the other great things we have between here and Broome could be loaded onto that vessel before it goes to Singapore. I really believe there is an opportunity for us to go into that market, with Western Australian workers.

Cruise ships were a massive market pre-COVID, but no Aussies worked on them; they were foreign manned. Why can we not have Aussie flagged and manned ships? It is ridiculous that the federal government does not fight for the rights of Western Australian workers to get on these ships. It is a lucrative industry. Where are you, Scotty? You are out there spruiking all these things about jobs; it is on the doorstep, mate! New South Wales had the *Ruby Princess*, which caused chaos right across Australia. I have no doubt that plenty will come out of that in the form of investigations. Imagine if that ship had been Aussie flagged, had Australian crew and was under Australian law. We would have had higher safety standards and Australian seafarers who would have been vigilant about the risks of COVID-19, identified the problem much earlier and been methodical about resolving the issues. I understand there are challenges, but the benefits could be so much greater for our state if Aussie seafarers got back their right to work in this country. State shipping is not a pipedream. It is a real industry that could be possible around this country. It would take just one state to lead the way, and I believe it could be this state.

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One of the key things I want to talk about is the ability for a state ship to jump in in an emergency situation. We have all these private ships on and off the coast of Australia, but the situation with the bushfires on the east coast is a real example of the possible benefits of a state ship. I will read an article written by organiser George Gakis titled “The Australian Seafarer: True Working-Class Hero of Today!” It states —

True Working-Class Hero’s on board both the Far Senator and the Far Saracen along with the Navy vessel the Sycamore and the Eden Tugs were at the forefront of ensuring that people survived the fires that have been burning our country. Everyday people were trapped in various places across the East Coast of Australia—too many lost lives throughout these fires, but Australian seafarers delivered when they were needed most.

All of the crew engaged on the Far Saracen worked an average minimum of 14 hours a day whilst on site in Mallacoota. They provided assistance to those whom were trapped on the beach with fuel, water, food and shelter. Some of the vital Emergency service people were housed on board. The same people that many of us take for granted most days.

General public that were severely injured or ill or just needed a break from the smoke, were also looked after on board. The crew had a young family stay on board with them one family member was a 7-month-old child.

Given that there was no multicat vessel, there was no landing craft vessel and there was no wharf that their vessel could be tied up to, hundreds of pallets of stores were broken down on board by hand. They were then manually loaded onto the FRC —

That is a fast rescue craft, a very small vessel —

and taken ashore by those workers on the Far Saracen. Keep in mind, that there was no way in or out of this town by land. It was because of these workers (that the liberals don’t want) that thousands of people have lived to tell the story of the Mallacoota bushfires. It’s a real wonder why any government wouldn’t be seeking to have more Australian crewed ships on the coast which would assist in times of emergency and need.

I could not have said it better myself. It is really important to me, and I will continue to stand up for Australian seafarers in this country. I strongly believe that there is a need for us to have vessels of our own in times of crisis and in times of economy building.

HON MATTHEW SWINBOURN (East Metropolitan) [11.48 am]: It gives me great pleasure to stand today to speak on Hon Kyle McGinn’s private member’s business. As has been demonstrated in the last 15 minutes, his passion for this subject, as with many subjects related to his area, is almost unparalleled. It gives me great honour to follow him whenever he speaks on these sorts of issues. His commitment to seafarers and wharfies also is unparalleled. I know from some of his speeches about some of the more horrific experiences he has had that he is a person who speaks from experience, both good and bad, in this industry.

I would also like to give a shout-out to those few remaining Australian seafarers who still operate on the coastal ships that service our ports and our industries. They are a dying breed, unfortunately. I endorse Hon Kyle McGinn’s views that it would be worthwhile having a shipping industry that supports Australian needs and Australian seafarers. I would also like to acknowledge my comrades in the Maritime Union of Australia, which never takes a backward step in supporting its members. It can be proud of its advocacy for seafarers and wharfies.

We are looking at the state shipping issues. We had a much stronger shipping industry in Australia. Hon Kyle McGinn referred to its history and establishment in the early part of last century and the arrangements that were put in place. Over time, the industry has essentially disappeared. Some Australian flag ships operate along the coast, but they are becoming fewer and fewer. Typically, we have two primary reasons for job losses in Australia. The first is changes in technology. In the photographic industry, we used to have quite a large photo developing industry within Perth. Obviously, with the change to digital technology and being able to order photos online, that industry disappeared. I do not know whether there is a professional photo production facility left in the state. Within shipping, we have seen a reduction in the number of wharfies over time because of containerisation and, in some ports, automation. My wife’s grandfather was a wharfie in Fremantle. They often used to lug the goods by hand. Obviously, that does not happen anymore. I have a history of seafaring. My grandfather was a merchant seaman during the Second World War. I sometimes ponder his experiences and what he would have seen as a seafarer. He probably had a good time as well, like many seafarers do when they get into port. He would have also seen some very horrific things as he was part of those convoys that went across the Atlantic, and into Russia and those sorts of places during the height of the submarine attacks from Germany.

The other main reason that we seem to lose jobs in Australia is from the offshoring of work. We have seen that in manufacturing particularly. We have difficulty competing with low-cost countries. They are low-cost countries

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because they have not only lower living expenses for their workers, but also less regulation and they do not treat their workers fairly. As a country, we trade off our security and our jobs on the basis of going to other countries that can deliver them better. It is not always good. Sometimes it is something that we just cannot stop because we do not have the economies of scale. As I said, manufacturing is an example of that.

In shipping, we have seen that happen with the contrivance of flags of convenience. That is what it is: it is a legal contrivance. The countries that these ships are registered in do not have a shipping industry; they have an office in the country. They would be lucky if the ships—Hon Kyle McGinn can correct me if I am wrong—visit those countries where they are flagged and dock in the ports. A lot of ships go through the Panama Canal. A lot of Caribbean countries have flag of convenience ships, as do Liberia and those sorts of places.

Hon Kyle McGinn interjected.

Hon MATTHEW SWINBOURN: There is no real connection between the two. What is this artifice of flags of convenience? Why does it exist? It exists because companies are trying to avoid regulation. They are trying to avoid or dodge taxation. They are trying to avoid paying fair wages to, and providing fair conditions for, the people on those ships. If a ship is flagged in a developing country, it complies with its labour laws; it does not comply with the labour laws of Australia. They are getting away from that.

Hon Kyle McGinn talked about the situation relating to the *MV Portland* in 2016. That ship was sailing between Portland, Victoria, and Kwinana. I think it was taking bauxite from the Jarrahdale region that gets dug up by Alcoa and shipped off to the aluminium plant that Alcoa runs in Victoria. For 27 years, as Hon Kyle McGinn quite rightly pointed out, that service ran uninterrupted; there was no industrial disputation. Obviously, the ship was old; it needed to be replaced. The federal government, under Hon Senator Michaelia Cash, decided to issue what is described as a temporary coastal licence, which allows a ship that operates in Australian waters almost all the time to be foreign flagged and crewed with a foreign crew. That occurred in 2016. I think that temporary licence is still in place, is it not?

Hon Kyle McGinn: Yes, it is.

Hon MATTHEW SWINBOURN: It is hardly temporary at all. It seems to me to be a permanent licence because the regulatory regime provides that those ships be manned by Australian crews and operate as a flagged Australian ship. We have this ridiculous artifice of issuing a temporary permanent licence to allow these ships to operate in our waters without having to comply with our labour laws, our other regulations and those sorts of things. If we want to create an analogy, it would almost be like having a company license trucks in Liberia to operate on our Western Australian roads, with the truck drivers coming from some other place in the world and getting not the wages and conditions of Australians but the wages and conditions of where they come from. Nobody would accept that arrangement. When it comes to the blue highway, the seas, it seems to be all right. I think that is appalling and terrible.

Everybody who cares about Australian jobs—there is a lot of talk about that—should be standing up today arguing for this system to change. They should be asking the federal government to change the rules and to bring the system back to where it was. The companies should have a licence, not a temporary licence, before they are allowed to operate. Whatever meetings happened behind closed doors between Alcoa and the good senator—who knows what happened there; she signed off on that and allowed that to happen—the practice continues to happen, and I do not see it changing any time soon. There is a claim that \$6 million is saved doing it the way it is now done. I do not know whether that is right or wrong; it is probably right. How is \$6 million a year being saved? Where are those savings being made? These countries have fewer taxes and lower wages and conditions, and they probably have a much lower regulatory burden, and they get away with that. There is a cost. Somebody pays the \$6 million.

Hon Kyle McGinn: The wages are very small.

Hon MATTHEW SWINBOURN: That is right. As I said, the wages and conditions are lower. Yes, there are shareholders. I am not surprised that Alcoa does this. Alcoa is a for-profit company; it exists for the purposes of making money for its shareholders. It will look for whatever savings it can make. Hon Kyle McGinn was right; companies all try to convince us how much they love us. At the end of the day, their obligation to their shareholders is to make a profit. That is the reality of their circumstances. I accept that. I do not accept that the Australian government, which is supposed to represent Australians and its community, is party to that same arrangement of pushing Australian jobs offshore and introducing these conditions.

A lot more can be unpacked with this motion. Hon Kyle McGinn touched on the risk elements that the Western Australian economy faces. When we hit crises like the bushfire crisis that occurred, when the east–west link was locked off, we did not have an opportunity to really pivot from road transport to maritime transport because we do not have the shipping arrangements to do those kinds of things.

This is a great motion. I really appreciated the opportunity to speak on it. As I said, it is an honour to speak. I commend the motion to the house.

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HON ROBIN SCOTT (Mining and Pastoral) [11.58 am]: I have spent three decades in the mining industry, but I certainly would not call myself a miner. For Hon Kyle McGinn to call himself a seafarer because he has cooked meals on an oil rig —

Several members interjected.

The ACTING PRESIDENT (Hon Dr Steve Thomas): Order, members! You may not like the words that are said, but, at this point, they are not unparliamentary.

Several members interjected.

The ACTING PRESIDENT: Order, members! Hon Robin Scott has the call.

Hon ROBIN SCOTT: I understand that —

Hon Kyle McGinn interjected.

The ACTING PRESIDENT: Order, Hon Kyle McGinn! Hon Robin Scott has the call.

Hon ROBIN SCOTT: Shipping will create only a few jobs. I understand that Hon Kyle McGinn wants to get his Maritime Union of Australia mates a job onboard these ships, but we have to understand that the shipping we are using now uses crews from overseas, and there is no way we can compete with the wages of people from Kuwait, Pakistan or the other countries around that area that pay low wages. This is just small-picture thinking from the government. I am amazed that he will get passengers to Karijini.

Hon Kyle McGinn interjected.

The ACTING PRESIDENT: Order, members!

Hon ROBIN SCOTT: I have been around Karijini hundreds of times.

Several members interjected.

The ACTING PRESIDENT (Hon Dr Steve Thomas): Order, members! Hon Kyle McGinn was heard in silence, and my patience is being tested. Even if you do not like Hon Robin Scott's words, he will be heard in silence. Hon Robin Scott has the call.

Hon ROBIN SCOTT: Thank you, Mr Acting President. The honourable member mentioned getting tour boats to Karijini. I have spent many years in that area, and I must have had my eyes shut, because I do not see any canals or waterways going to Karijini. I must pay more attention the next time I am there!

The reality is that our biggest trading partner is now abandoning us. It is putting an 80 per cent tariff on our barley, and it is banning red meat processors. Even the Chinese Consul General has jumped ship, and not even special envoy McGowan could stop her.

Several members interjected.

The ACTING PRESIDENT: Order!

Hon ROBIN SCOTT: Obviously, it is upsetting them.

Several members interjected.

The ACTING PRESIDENT: Order! Hon Robin Scott, if you interact with members who are interjecting, you simply continue the process. It will get to the stage that I will leave the chair and debate will be abandoned if members cannot retain some degree of order. Hon Robin Scott has the call.

Hon ROBIN SCOTT: Thank you, Mr Acting President.

The message from Western Aussies is clear: to protect ourselves, we need to diversify and find new opportunities. The biggest opportunity is staring us right in the face, and that is the Pilbara. On one side, we have multiple thousands or millions of tonnes of iron ore, and on the other side we have gas. The bit that is missing in the middle is a steel mill. A steel mill would produce thousands of jobs during construction, and it would also produce hundreds of jobs when operating. Why are we not taking the obvious opportunity to create an iron ore smelting and steel plant? This industry would employ thousands of people and the apprenticeships that would be available would be incredible. Some people may argue that a steel mill in Western Australia would be unaffordable due to wages. I come from a town that was surrounded by steel mills and used to employ thousands of people, but new modern steel mills can now be fully automated, employing just hundreds of people. We have been well known in the world for producing quality products. When we make stuff, we make it well. The kind of reputation that we have for our products would make it easy to sell this steel. At the same time, we would be reducing our reliance on the Chinese communist bullies—namely, the Communist Party of China. One Nation supports creating a steel mill industry in WA. While Hon Kyle McGinn comes in here with his ideas to look after his union mates, some of us with ideas want to look after the whole state.

The ACTING PRESIDENT: I give the call to Hon Alannah MacTiernan.

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Hon Alannah MacTiernan: Thank you. I am happy if Hon Charles Smith wants to go first, and I will go after him.

HON CHARLES SMITH (East Metropolitan) [12.04 pm]: Thank you. That is very generous of the minister. What a cracking motion this morning from the member for the Mining and Pastoral Region. I could not support the member more. The only thing I can do to support him more is to send him my application to join the Maritime Union of Australia.

Several members interjected.

The ACTING PRESIDENT: Members! Hon Charles Smith has the call.

Hon CHARLES SMITH: Mr Cain, I know, is a patriot and he understands only too well the dangers of a globalised economy and the effects on Australian employment. According to the Australian Bureau of Statistics' latest figures released for April, around 43 000 Western Australians have lost their jobs. That is a significant problem for employment going forward. I am encouraged to hear from the member that he wants to put Western Australians first. Perhaps the words and statements of the federal member Kristina Keneally are rubbing off on the local party in Western Australia. I remember coming to this fortieth Parliament and one of the first things the Premier did was remove Perth from the regional migration scheme. Here is the great letter removing Perth from the regional migration scheme. It has a special place on my wall in my office. I remember thinking to myself that this was a Premier I could really get behind and support. Here is a man putting Western Australians first. He was supporting workers and demanding the federal government remove Perth from the regional migration scheme. At the same time, he was trimming the state's skilled migration list, slashing it to just 18 eligible occupations down from a previous 178. The Premier said in 2017 —

... in the current economic climate it did not make sense to give jobs to migrants ahead of West Australians.

"In the current economic climate, it's more important than ever that we maximise employment opportunities for Western Australians," ...

"Our policy will ensure that, whenever possible, Western Australians will be given first preference on WA jobs. It doesn't make sense to fast-track workers from overseas when there are unemployed Western Australians who are capable of doing the work.

As members well know, they are exactly my sentiments that I portray in this house time and again. But what on earth has happened? When the WA economy started to flounder and the housing market began its downturn, the Premier announced that the government would expand the skilled immigration list to entice more foreign students and visa workers to the state. I do not understand the logic behind that whatsoever, if we consider what he said previously. The Premier said that the government would focus on marketing WA as an international education destination and adding dozens of jobs to the skilled migration list to allow more foreign students with degrees to stay in WA. I and the Western Australia Party do not have an issue with migration or international students. We have an issue with the excessive amount that we have from both a statewide and nationwide perspective. I support a sustainable migration policy and a sustainable number of international students. It is obvious that there are far too many international students for our own good. The government wants to create a new hub and attract 100 000 international students. It is just too many. The Premier has now reclassified Perth as a regional city, which of course allows for and expands the flow of international students and migrant workers. I want to make the point that this is really amazing stuff, as the economy rolls over, given this state's significant under-utilisation rates, which are around 17 or 18 per cent, and even worse for the youth demographic, which is around 35 per cent. As I pointed out in question time last week, Western Australia also has the lowest wage growth in the entire nation, at around 1.8 per cent.

Let me add: I fully support the member's motion, but I find that there is some hypocrisy or ignorance about how the economy is working with immigration and so on. It is so disappointing to see a Labor government in effect turning its back on Western Australian workers. The government is seemingly intent on sending labour under-utilisation even higher and wage growth even lower.

HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development) [12.10 pm]: I thank Hon Kyle McGinn for bringing forward this important motion and speaking with such a depth of knowledge on this topic. That depth of knowledge comes from not only his experience on the vessels, but also having been very much involved in the Maritime Union of Australia, which has a strong focus on maritime policy. It was beautifully supported by Hon Matthew Swinbourn.

What can I say about the contribution from Hon Robin Scott? It was pretty disgraceful. I will say one positive thing about it. There were internal contradictions in what he was saying. He said that we can have a steel industry, because it can be more modern and we do not need as many people, but apparently we cannot have a more modern shipping industry. That is completely nonsensical. The one thing I agree with is that we could one day have a steel production facility in the Pilbara, but it will be based on the move towards the production of hydrogen. What will give us the ability to compete will be our ability to produce a super cheap energy and be able to market a green

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steel around the world. I know that the member finds it amazingly difficult to accept that there will be a hydrogen industry in the future, but get on board with the modern developments and perhaps we can have a steel industry.

The issues that have been raised here are of concern. We are such an export nation; we sell our iron ore, gas and agricultural produce overseas. Of course, the vast majority of that produce is exported in vessels, and very few of those vessels carry the Australian flag. Very few of those vessels are crewed by Australians. There needs to be a share. It will never be the case that we have all-Australian crews, because the people buying our products are also looking for markets for their labour. But we have got down to a very critical point in Australia. We are going to struggle to find people with adequate blue water experience to be able to operate our ports. We need people who operate pilot boats and tugs and people who do the logistics. We need people who have maritime experience and have actually worked on these vessels. That is part of the qualification that they need. As we contract the number of seafarers, we lose the ability to provide staff for the ports from which we send out all this stuff. Whether it is iron ore or steel—if one day we make steel—we will need ports and we will need tug operators. We will need pilots. If we do not do something radical about this situation, it is going to become highly problematic.

COVID-19 has brought these issues to the fore. We have been trying to deal with the issue of maritime crews coming in from overseas and Australian crews from interstate. It has highlighted to us that most Australian-crewed vessels, be they bulk LNG gas vessels taking gas from the North West Shelf to Japan or supply vessels servicing the drill rigs or production platforms, are crewed from the eastern states, because we have never really had a training facility over here. A training facility used to be based in Newcastle, which was effectively a BHP facility, and, of course, there is the Australian Maritime College in Tasmania. That has meant that most seafarers are based over east. We need to do something about that; we need to provide some training facilities over here. But I think we need to get a better mix of Australian vessels.

Shipping will go through a transformation. People are beginning to wake up to the fact that the use of bunkering fuel and the old rust buckets that are sailing the oceans are highly polluting. They have been making a very significant contribution to the overall carbon emissions and have had big impacts on the ports they have come into. There is some action coming. The International Maritime Organization changed some rules on 1 January this year. It probably has not gone as far as I think it should have, but at least we are now seeing a move away from the use of that bunkering fuel, particularly as vessels come in close to shore. I am pleased that our government has been at the forefront here, wanting to make sure that we get an advantage out of that and helping this drive towards modernisation. In the Pilbara, we are offering very significant port discounts to LNG-fuelled ships. We believe that will ultimately lead to us becoming a hub for LNG-fuelled ships, and it could create a significant number of jobs as we rival with Singapore for the refuelling position. But I think, over time, we will see these standards raised. I will say this again, because I know Hon Robin Scott loves it when we talk hydrogen. Shipbuilders are also building hydrogen-based vessels. Just as we have seen new technologies developed around metallurgical production, I think shipping is now entering a phase where there will be new and modern ships. We have to start thinking about the ability of having some of these new streamlined vessels Australian-owned and Australian-crewed, providing us with not only job opportunities, but also the underlying core maritime capability that we are going to need to continue to run our ports.

For the entire time we were last in government, we subsidised Stateships; I think it was around \$2 million a year. It was not really a terribly effective service. That is not the path that we are looking at going down at the moment. What we are trying to do is encourage more direct shipping options, and more shipping of product directly into the Pilbara. Work is being done in Port Hedland and Dampier on direct shipping. We are looking at options in Geraldton, and Hon Laurie Graham may speak about that. Also, we are beginning to see some of the container vessels coming in and making calls with weekly services into Esperance. We believe that a lot more can be done to take vehicles off the roads by having direct shipping into our ports. Hon Kyle McGinn talked about the possibilities in Broome. I would love to see that. I would love to see us creating a boxed meat product that can go into Asia. Serious work is being done to look at how we can sell chilled meat on container ships into the Middle East. We have all seen our vulnerability when passenger aircraft services disappear and how that impacts on the export of our products. If we could have a container alternative, that would indeed give our agricultural industry greater flexibility.

Again, I think there is much work to be done in the shipping space. We are moving on a number of different fronts. I commend Hon Kyle McGinn for this motion and I thank Hon Charles Smith for his support of this motion.

HON LAURIE GRAHAM (Agricultural) [12.20 pm]: It is a great pleasure to stand to support Hon Kyle McGinn's motion. I really support the sentiments that the honourable member raised, but I will largely stay away from those issues in my contribution.

The problems—trade and wages et cetera—that have caused ports great difficulty in trying to become commercial started in the era in which *The Onedin Line* is set. I am sure members have seen that television series. In those days, the workers were called lumpers. That is where the nickname comes from. They would carry 100-weight bags on their shoulders up the gangway. They did it fast because they were paid by the bag, and when they got too

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slow, they were thrown off the job. Therefore, unionisation followed on the waterfronts in developed countries. Obviously, that was accepted for a number of years. We had very good companies plying world markets and into Australia. In Western Australia, we had Stateships, oil tankers, general cargo ships, and other vessels plying the coast with Australian seamen on board. Some vessels from further away had British seamen.

Then that era of shipping shifted to flags of convenience. That was really disappointing. Initially, countries had flagged vessels of their own and were very insistent that their own vessels carry their cargoes. But as soon as the vessels got to about 20 years old, they were sold off, probably to a tax haven. A flag of convenience would be put on such vessels, because the vessels could not be certified to a standard that could be licensed in their country of origin, such as Japan. A very low-paid crew would be put on the vessel, with perhaps one very experienced master and a few mates with minor experience, but nothing compared with the people who previously performed those jobs on all the ships from different countries.

In Australia, particularly in Western Australia, in the 1970s, the main trading vessels were 35 000 to 50 000-tonne vessels, and it was rare to see anything above that. Along came the iron ore industry and the coal industry in the eastern states, and we started to see vessels increase in size dramatically. Initially, we started to see 60 000 to 80 000-tonne vessels, and then 130 000 to 250 000-tonne and greater Cape class vessels. That was just a sign of the times. I believe that the same thing is happening now—that is, older vessels are being foreign crewed. If we look at the welfare of the foreign crews on those vessels, particularly the smaller class vessels—the 60 000-tonne vessels—that were no longer certifiable, we see that they were really mistreated; they would often go under a wave and not come up. If they already had a broken back, they would put a flag of convenience on it, and take as many trips as they could. In those days, the price of iron ore was very low, and people's lives were seen as expendable. Australia applied minimal regulations to those vessels.

As the years went on, we had a hands-off approach. In that earlier era, we had a very hands-on approach, just like we do with planes today, whereby we make sure that planes are very safe. The main reason for that is that planes carry people, not cargo. If the freight ships carried people, I am sure that it would be very different. We have seen that with the introduction of COVID-19 on cruise ships. It has been disappointing to see that downturn. I am sure there are opportunities for Australian-manned vessels to ply the coast, and I hope that someone will take up the opportunity to get one of these vessels and take passengers and general cargo on the Australian coast. Clearly, the vessels currently coming in are home porting out of Fremantle and other ports. It is great to see that they are doing that, but it would be better to see them Australian owned and manned. When I was in the ports in the late 1960s and 1970s, about 50 per cent of the vessels that came in were Australian manned. By the time I left, excluding the smaller oil rigs, I think only 12 of the 140 vessels that came in were Australian manned, and they were tankers. There is concern obviously.

The Scaddan Labor government started the State Shipping Service of Western Australia in 1912 following the withdrawal of the Adelaide Steamship Company. From my position at the port, it was disappointing to see that Stateships as an operation was being phased down. The ships used to go to Geraldton and all the way to Darwin, but they gradually picked out each of the ports. Inefficient loading at Fremantle caused each of the ports to be progressively removed. Geraldton went first, then Carnarvon. The stop at Exmouth went next, and that left three ports. The problem was that vessels were not fully loaded. They could have easily been fully loaded if we had applied those other trades. At the same time, we also lost vessels that were trading with South-East Asia. Although they were not Australian manned, as such, many of the crew were Australians. The era of containerisation caused that opportunity to disappear, and that trade has now gone to the bigger livestock vessels. Some of those vessels do trade out of the regional ports, but mainly out of Fremantle. That has been very much a loss.

I will move back to the issue of the qualifications of Australian people in the trade. We are obviously losing the capacity for people to move up and become masters class 1 et cetera to man the bigger vessels. I believe the vessels now at North West Shelf that are pumping offshore have no Australian crew left. They started there with Australian masters on board. Those vessels go away for refits et cetera. They are sailing vessels, but actually work as pumping vessels that have no crew. The only people left in the north west and Western Australia are the very small number of crew members on the rig tenders.

I could not finish up—I will be pretty quick—without mentioning Robin Scott in the Pilbara. I will put in a plug for Geraldton. I was involved in the process of trying to get an iron ore plant into Geraldton, but we could not make Geraldton work, even with the low wages and the gas availability et cetera. I know the Pilbara has gas pretty handy, but it is something that is very difficult to get up. I would like to say a fair bit more, but I will close my contribution and give Hon Kyle McGinn the opportunity to sum up.

HON KYLE MCGINN (Mining and Pastoral) [12.29 pm] — in reply: I would like to thank all members for their contributions—almost all. I thank Hon Matthew Swinbourn. His contribution was very well made. Temporary licences are a massive issue. He touched on the *MV Portland*, which is a very sad piece of history in this country.

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Seafaring jobs are important to this country. I thank Hon Charles Smith for supporting the motion and for his contribution. I thank the Minister for Regional Development. It was much appreciated to hear that shipping is definitely at the forefront of her mind and how important it will be, post-COVID-19, to focus on that. I thank Hon Laurie Graham for his contribution and his views from a port-based perspective.

I think this has been a very worthy motion to discuss in the house today. Despite the comments from Hon Robin Scott, Australian seafarers are important to this country. To make cheap political one-liners about my work history and to say that I only worked on a rig is an absolute disgrace. Clearly, the member has just read my maiden speech. He must have a bit of free time! Today was a little bit of an eye-opener for people about what Pauline Hanson's One Nation stands for. Hon Robin Scott spruiks that he is an electrician and would not call himself a miner, but let us be honest: he was a boss. He has given plenty of speeches in this place that have come straight out of the Chamber of Minerals and Energy handbook. I would not be surprised if the CME had written half of his speeches anyway. He can say that he was a fly in, fly out worker and that he has been in the mines, but in reality he was a boss, sending people out and putting bums on seats.

Hon Colin Tincknell: He's a businessman!

The ACTING PRESIDENT (Hon Robin Chapple): Members!

Hon KYLE MCGINN: He is a businessman? Okay. That is the truth here, people. One Nation has said here today that it does not support Australian seafarers. Hon Robin Scott got up and said that it was okay for Pakistani foreign workers to be paid exploitative wages and that is the reason that Australians are not on ships—because we can pay people \$2 an hour instead of \$50 an hour. I am sorry, Hon Robin Scott, but some of these projects are worth billions of dollars. Wages do not come into it. I can tell members that this is a broader picture of rubbing Australian seafarers out of history. He has made it very clear here today that he does not support Australian workers. He gets up and preaches, he says these things and goes and makes media releases, but we can clearly say today that it is all a load of rubbish. One Nation does not support Australian seafarers. It never will and it never has. It is disappointing. It would be interesting to hear what Pauline Hanson has to say about it. The federal Parliament voted to allow enterprise bargaining agreements to be negotiated in less than 24 hours, so Hon Robin Scott is really following his leader there. He clearly does not care about Australian workers. He thinks it is okay for a steel factory to get exploited foreign workers to take that steel overseas. Why does he not support Australian workers on this coast? He said that it was only a drop in the ocean. These are jobs and they are our resources that we are sending overseas. I really think that he has shown his colours. If the people of Western Australia are thinking of voting for One Nation, they should understand that it is not there to support Australian jobs and it does not care whether exploited foreign labour is on ships. It does not care about the exploited foreign labourers, who work in low safety standards, sometimes do not get paid any wages at all or get fed, and are on ships for over nine months of the year. Do not worry, because One Nation will not have your back! Voters should remember that when they go to the next election.

Motion lapsed, pursuant to standing orders.