



## **The Australian Council of the Mission to Seafarers Inc.**

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### **The Rural and Regional Affairs and Transport References Committee**

#### **Inquiry into increasing use of so-called Flag of Convenience shipping in Australia**

##### Introduction

The Mission to Seafarers is a world missionary agency of the Anglican Communion and offers practical, emotional and spiritual support to the world's 1.5 million merchant seafarers of all ranks, religions and nationalities.

The charity provides its services through the chaplains that it appoints to centres and ports in 71 countries around the world. Chaplains, who are often supported by volunteers, are able to offer practical support with employment issues or personal needs, as well as emotional and spiritual support through counselling. Through its centres and staff, the charity also provides communications facilities, transport services, recreation facilities, shop for small items and souvenirs and a chapel for quiet reflection. The Patron is Queen Elizabeth II and the President is Princess Anne.

Globally the Mission to Seafarers works in over 260 ports caring for seafarers of all ranks, nationalities and beliefs. Through our global network of chaplains, staff and volunteers we offer practical, emotional and spiritual support to seafarers through ship visits, drop-in centres and a range of welfare and emergency support services.

The Mission to Seafarers Australia (the Mission) currently has 28 shore based seafarers centres in Australian ports, including 23 in regional ports, and welcomes around 200,000 seafarers to our centres each year.

In an emergency, the Mission is often the only help on offer. No matter what problem a seafarer is facing, be it injury, abandonment, non-payment of wages or personal difficulties, they know they can turn to the

local Mission for help, advice and support. Our chaplains and volunteers offer practical and financial support, advocacy services, family liaison or simply a space to talk in a time of crisis.

This submission by the Mission will cover a number of themes and issues on the importance of shore based seafarers centres to seafarers of Flag of Convenience (FOC) and flag state ships. Some parts may appear repetitive but the point needs to be made across a number of issues on the importance of shore based welfare support to seafarers in reference to the Inquiry terms of reference, especially items d, e and f.

Life of the Seafarer –

Seafaring has a different pattern of work to most other professions, as living and working conditions are combined with the ship being both a working and a living environment. To the 8 hour watch rotations can be added the many other functions performed at sea and in port with high demands on the crew impinging on any rest time causing increased stress levels and its attendant risks

Another form of this living/working environment is the current FlyIn-FlyOut work arrangements of the mining and offshore oil industries. Seafarers don't get to fly out after 2 or 3 weeks of 12 hour shifts as these workers do - they work these sort of hours for 6 to 12 months straight. And there is no respite from the 7 day work routines on a ship – a ship does not stop at sea for the weekend off.

Loneliness is a key issue onboard – the crew can be from many nations and have many languages - regularly we see ships with 4 to 6 nationalities onboard. A seafarer may be the only person of his/her nationality and language amongst the crew.

Change in size of shipping. 50 years ago the World's liner trades were served by ships of 6,000 to 8,000 deadweight tonnes (dwt) with 40plus crew spending a week in each port. Their current replacements on container trades to and from Australia are ships of 3,500 container capacity and 60,000 dwt with crews of 20 or less and the ships spending little more than 24 hours in port. Bulk export ports handle bulk carriers of up to 250,000 dwt on a daily basis.

Modern crews are overwhelmed by the size of the ships they operate and live on. They are swamped by the daily tasks they are expected to perform in port and at sea. They are subjugated by the sheer size and complexity of modern ships where they feel that the ship controls them, rather than the seafarer managing the ship as in the past. There is a sense of entrapment, isolation and at times desperation as they try to cope with the huge workloads and responsibilities placed upon them.

Seafarer Centres have noted this profound shift in the psychosomatic emotional focus for the seafarer on modern large and complex ships in relation to their role and purpose, and it should not be discounted in any discussion on seafarer welfare issues.

Importance of shipping and foreign seafarers to the Australian economy

- Over 90% of World trade is carried by sea
- For Australia around 95% of all goods used industrially, commercially and domestically in Australia are imported by sea.

- It should be noted that 0.1% (.1 of 1percent) of import and export trade is carried in Australian registered, Australian flagged and Australian crewed shipping. Australian shipping that is well covered in terms of onboard living and working conditions, safety, welfare, salary, etc by a strong Navigation Act, contracts and workplace agreements.
- 99.9% of all Australian import and export cargoes are carried in foreign registered and crewed shipping, both flag state and FOC shipping. The majority of import and export trade by sea from and to Australia has predominantly been carried in foreign registered and crewed shipping from the First Fleet to today.

Global shipping, driven by the low cost of sea transportation from larger ships with smaller crews and FOC cost benefits, has created the new phenomenon of the global economy where goods can be economically transported between countries and points of manufacture on a scale impossible little more than a decade ago in terms of tonnage and volumes transported. This revolution in shipping has also seen a move away from company employed crews from the flag state to manning agency supplied crews from third world countries who are employed on minimum international wage rates most flag states are unable to compete against.

For the first time in our history development, and wealth, in Australia is being driven almost solely by maritime transport.

All of this activity relies on the foreign seafarer who underpin Australia's trade and prosperity. It doesn't matter how much grain or beef we produce or how much coal or iron ore we mine, we need the foreign seafarers to operate the ships that we rely on to take our exports to the World market and provide our population with food, commercial goods and resources to maintain our current standard of living. Without these foreign seafarers Australia, as an island state, would be in a terrible domestic position – a third world nation.

The welfare, the safety and the security of these foreign seafarers should be of paramount importance to Australia.

#### Flag of Convenience Shipping (FOC)

There is a generally held belief that crew who work on FOC shipping are all subject to abuse and live and work in poor conditions, where shipowners hide through a myriad of dummy companies, where employment contracts are not honoured, where working hours are exceeded, safety requirements ignored and onboard living conditions are substandard. The majority of flag state and FOC shipping companies do not abuse and exploit crews. They operate to high standards and treat their crews with respect and provide good living and working conditions.

Other shipping companies, both flag state and FOC registered, however exploit the crew in whatever way they can to gain some commercial or financial advantage - greed being the driving force for their ship operations. What goes on at sea is often out of sight of regulators. This allows rogue ship owners to get away with abusing seafarers' rights without detection.

It should also be noted that individual crew members, usually senior officers, undertake abusive and exploitive activity against the ship crew, either collectively or individually. Most shipping companies would be horrified to find that the Captain or senior officers they have appointed to a ship are acting in a manner to cause harm to the crew or the victimisation of the crew.

## Maritime Labour Convention and AMSA

The ILO Maritime Labour Convention (MLC) Regulation 4.4 aims to ensure that seafarers have access to shore-based facilities and services to secure their health and well-being. Under the MLC it is the responsibility of the ILO Member State to ensure, “where welfare facilities exist on its territory, that they are available for the use of all seafarers, irrespective of nationality, race, colour, sex, religion, political opinion or social origin and irrespective of the flag State of the ship on which they are employed or engaged or work”

Further it is the Member State’s responsibility to promote the development of welfare facilities in appropriate ports of the country, encourage the establishment of welfare boards and to supervise the welfare facilities and services with the participation of representatives of shipowners’ and seafarers’ organisations concerned.

The ILO through the MLC and Part 4.4 acknowledges the important role shore based welfare facilities have in the seafarer’s health and well-being

The Mission would like to acknowledge here the key role now played by the Australian Maritime Safety Authority (AMSA), not only as the Maritime Regulator responsible for the effective management of the MLC on shipping, but also the acceptance of Regulation 4.4 and the importance of seafarers welfare in the safe and efficient operation of shipping.

It should also be noted that Australia, through AMSA, has fully incorporated the MLC into the new Navigation Act. Australia is one of the few maritime nations to have the MLC included in its national law at the commencement of the MLC. Most nations have signed up to the convention but do not have the legal means to monitor and enforce MLC compliance in their own country.

AMSA have been very proactive in including MLC welfare related issues in Port State Inspections, of flag state and FOC shipping, and AMSA have issued deficiencies, detentions and exclusions to shipping in breach of MLC welfare requirements. Just as AMSA was the key in the Ships of Shame era in removing substandard tonnage from the Australian coast and ports it is now taking a global lead in MLC welfare compliance.

AMSA has also established and administers the Australian Seafarers Welfare Council as the overarching body on seafarer welfare issues in Australia. The Council is composed of government, shipping industry and seafarer welfare organisations and is proving to be effective in raising the profile of seafarer welfare and issues in Australia.

AMSA is to be congratulated on its efforts to date in meeting the MLC welfare regulatory requirements and engaging with the shipping industry and welfare service providers.

## Cost of Operation of Seafarers Centres

The Mission to Seafarers 28 centres welcome around 200,000 seafarers each year and the Centres are manned by 30 paid staff including Chaplains and some 450 volunteers. The cost of operating as a charity, relying almost solely on donations, is high and is a constant struggle for most centres to meet annual costs and provide the level of welfare, pastoral care and spiritual support the foreign seafarers need across Australia.

The Mission is largely unknown outside of the immediate port areas or foreign seafarers and we regard ourselves as the “invisible ministry to forgotten people”.

The Mission makes the point again that it is becoming very difficult for all of the shore based seafarers centres, be they Mission to Seafarers, Apostleship of the Sea or Ecumenical, to remain open and accessible with the full range of welfare and pastoral care services needed by seafarers without some form of recurrent funding.

Since the presentation of the 1992 report on “Ships of Shame “we contend that in general very little has changed or been improved in the provision of suitable shore based facilities for the provision of welfare services for seafarers in Australia. These services apply mostly to foreign national seafarers who make up the majority of ships’ crews worldwide on flag state and FOC shipping.

Most of the seafarer centres throughout Australia are provided by the Mission to Seafarers. In Australia the Mission to Seafarers provides some 75% of port based seafarers centres and globally around 50%. The Mission in Australia is one of the largest seafarer welfare commitments of any maritime nation.

All Seafarer Centres in the country are solely financed by donations, grants and from some revenue obtained from small commercial operations in the centres, such as souvenir and essential items shops, some currency exchange revenue, and in some instances from port assistance for transport contracts in port areas. Some external funding for specific welfare support services, such as transport and communications, is provided in Australia by the Australian Mariners Welfare Society and internationally by the ITF Trust on a case by case basis.

Normal domestic growth plus new export ventures indicate an increase in flag state and FOC shipping ship visitations to Australian ports likely in coming years , especially of the current government desire to open up coastal shipping to foreign flagged and crewed proceeds. This will place pressure on current port based seafarers welfare centres and increase demand in other ports to establish such centres.

As a signatory to the MLC ( 2006) Convention Australia now has an international obligation to ensure that such seafarers’ shore side facilities are provided at all ports around Australia to meet demand and that visiting seafarers are given the correct and timely welfare needs that long voyages on board ships demand.

Regulation 4.4 signatories to the Convention are required to ensure that seafarer shore-side centres are adequately financed and professionally staffed to meet the needs of the services to seafarers, either through sustained grants, donations or port/ship levies. ( Guideline B4.42 ). See pages 67,68,69,70 of the Convention.

In order to comply with MLC (2006) , The Mission proposes to the Inquiry that a comprehensive study be undertaken to determine the current and required number of shore base seafarers welfare centres and the range of welfare and other services needed to meet Australia’s MLC obligations to care for the seafarers driving the Australian economy and how these centres might be operated and funded in the long term in partnership with the Mission and other seafarer welfare organisations.

The Commonwealth government signed up to the ILO Maritime Labour Convention and yet to date has made no commitment to support the prime means of meeting Regulation 4 in terms of seafarers welfare – the shore based seafarers centres. Given the key role played by seafarers in creating the Nation's wealth and the standard of living we all enjoy, combined with its MLC obligations, the government should be investing in the welfare of these people who are most critical to our economic prosperity

#### Human Element Risk

Human element is vital to the safe operation of ships

The standard of safety and efficient operation of a ship is dependent to a large degree on the health of the seafarers in charge of the operation of the ship

A lack of wellbeing impacts upon ship crew competency and performance and introduces unacceptable risks that detract from the safe operation of the vessel, at sea and in port.

#### Location of Ports

Most city ports have now moved to developments away from residential areas and shopping precincts, often without public transport links. The new generation of bulk ports are located close to the mines or mine railway routes and are in remote locations. These ports add to the isolation of the foreign seafarer as it adds another layer of complexity and frustration to spend time ashore to communicate with family and shop for personal essentials and family gifts. Such ports also limit the social contact that seafarers need after a long stint at sea. To be able to walk down a street and see people going about their day to day activities is important for seafarers and provides a glimpse of normality into their structured day to day working lives on the ship.

#### Lack of Shore Leave

Smaller crew size and short in port times mitigate against adequate shore leave periods and duration of such leave for seafarers. The Mission is concerned that lack of access to shore leave and access to port based seafarers welfare centres, primarily to communicate with family, can have a detrimental effect on the physical and mental health of seafarers. This needs to be addressed in some manner to ensure seafarers are provided with adequate shore leave in each port to reduce the potential for depression, isolation and stress.

#### Key issue of Fatigue

Fatigue is a key factor in many shipping incidents in port and at sea.

A recent ATSB study into fatigue showed that after 18 hours without sleep a person's performance was equivalent to a blood alcohol level of 0.05% and for longer periods this went up to 1.0% blood alcohol level. Fatigue impacts significantly on a person's ability to undertake complex tasks, such as are required on any modern ship

We are all aware of the tragic road toll from fatigue and high blood alcohol levels. Governments spend vast sums of money advertising on the issue each year and millions in dealing with the aftermath of such

events. Nothing similar has been done to date for the maritime industry where the consequences of a maritime fatigue related incident are massive and prohibitively expensive

In future marine casualties and other insurance claims the MLC requirements of the safety, health and well being of the seafarer may become a major factor in determining a valid claim. Not only will it hinge on the direct circumstances of the incident or event but that of the shipowner and charterer in MLC compliance and the underlying factors in any incident, such as fatigue, in a manner not undertaken to date. Similarly AMSA and the ATSB may look very closely at fatigue and recreational down time, including time spent at a shore based welfare facility, in any accident investigation.

Health, safety and environmental risks are often linked as a single risk event in the maritime space, such as a vessel grounding. For example a ship running aground not only has physical damage to ship and to the reef but also pollution of the sea and coastline, the safety of ship and crew and those who go to assist, cost of clean-up operations, cost due to loss or delay of ship cargo on Australian industry and commerce and the emotional impacts on coastal communities, for example.

The Shen Neng 1 aground off Gladstone, a fatigue related accident, is still in our minds. If the officers and crew of this ship had had access to the loading ports shore based seafarers centre to relax away from the ship, call home and generally recharge their emotional batteries would the ship have had the same outcome so soon after leaving port? The Mission would contend that the outcome would most likely have been very different. Seafarers centres through the welfare services provided to seafarers improve ship safety, reduce the risk of serious injury to both ship and shore personnel, lead to gains in efficiency and productivity and reduce the risk of becoming a maritime incident on our pristine coastline and reefs.

Shore based seafarers centres, such as the 28 Mission centres at Australian ports, can significantly reduce the likelihood of such events occurring.

Supporting the shore based seafarers centres is a low direct cost in comparison to all other voyage costs and is probably the most cost effective human element risk mitigation measure available to the shipowner, ports and government.

### Stress in Seafarers

The psychological impact of shore based welfare facilities on stress cannot be underestimated or dismissed. There is considerable evidence that the restorative effects of being placed in a calm, relaxed and welcoming environment of a seafarers centre are manifested within only three to five minutes of a seafarer arriving as a combination of psychological, emotional and physiological changes.

Shore based welfare facilities impact positively on seafarers lives. It reduces the human element risk factors across a whole range of ship and port based activity from otherwise stressed, tired and poorly motivated seafarers.

*Some examples of seafarers welfare issues the Mission to Seafarers port based seafarers welfare centres have dealt with:*

- *A Cook had suffered scold burns to his arm in another port and Master had refused medical assistance, probably due to the need to remain in port for days to obtain a replacement cook. When the ship arrived in the next Australian port the burned seafarer was brought ashore by other crew to the*

*Mission as the crew knew we would assist. The arm was badly burned with skin blistered and peeling off. The cook was placed in the hospital burns unit for some 3 weeks of treatment including skin grafts.*

- *Whilst ship visiting, crew members pulled the Mission ship visitor aside and stated that the ships drinking water had been contaminated whilst at sea and was making them violently ill. It just so happens that the Master had a spare cabin full of bottled water and was charging the crew US\$6 a bottle and was basically taking all their wages. The crew could not survive without the bottled drinking water. The International Transport Workers Federation resolved this blatant exploitation situation at the next port overseas.*
- *A seafarer had suffered a serious fall in bad weather and suffered severe injuries and was medivaced ashore and hospitalised for many weeks. When released from hospital he was unable to travel home requiring a period of convalescence. He was still very sore and barely able to move. The ships agent, instructed by the shipping company to reduce ongoing costs associated with the seafarer, placed him into a motel room with some cash to go to the local shops to buy food- something he was clearly unable to do. When the Mission was finally given his location we found him on the bed in pain unable to reach his medication, not having eaten for two days and soiled himself through his inability to move. The Mission cared for him for over a month before he was fit enough to return home overseas.*
- *A seafarer attended a Doctor as a result of an assault by a senior officer. The seafarer had suffered many months of bullying and harassment by this officer. The Doctor medically discharged the seafarer due to his current psychological condition. The Mission was brought in to provide welfare and pastoral care support for the seafarer prior to his flight home. The Mission arranged for ongoing counselling support for the seafarer in his own country. In this case the ship owner was aghast at the abusive treatment of the seafarer and took firm steps to remedy the situation onboard the ship.*

An important point to make here is that the seafarers centres and seafarers welfare charities, such as the Mission to Seafarers, are the first points of contact for seafarers – they know us and they trust us. We have proven this to generations of seafarers for over a hundred and fifty years of continuous service to them in Australia.

No single government agency can do what we do.

No Shipping company or its agents can do what we do.

The shore based seafarers welfare centres role is now much more important and relevant with the MLC in force, be it in flag state or FOC shipping.

The Mission would like to make special mention to the Senate Committee of some special welfare event the Mission to Seafarers shore based welfare centres have been involved in. One of many such events over the years which again only shore based seafarers welfare centres can adequately and competently address:

*The Rabaul Queen sinking in PNG.*

*The Mission through its port based welfare centres monitored shipping that assisted in the Rabaul Queen ferry sinking rescue effort that called at Australian ports. These seafarers had assisted in the search for and recovery of survivors and bodies from the water. The Mission monitored the seafarers for signs of "Critical Incident Stress" from the stress of participating in such traumatic events, especially where they were subject to sighting and dealing with many bodies in the water. If not identified and counselling assistance provided there is the possibility of the seafarer developing Post Traumatic Stress Disorder with*



*the potential to become a real risk to themselves and the ship they are sailing on if not identified and treated.*

*Mission Chaplains and ship visitor volunteers trained in trauma assessment and pastoral care visited ships and spoke with crew in our port Centres and the Mission had specialist counsellors on call to assist as needed. Counselling services were provided to a number of seafarers traumatised by the scenes and events they witnessed and participated in as part of the overall rescue and recovery effort.*

*At one port our Mission Chaplain found himself dealing with just such a crew -being the taxi to get the crew to and from the Police Station to complete reports for the PNG Coroner and others, interpret for them, being present during all the crew interviews and acting as best he could as their legal counsel and shielding the crew from the press, as well as the more traditional roles of providing needed group and individual counselling and support. In this particular case there was no local ship agent representative and no government agency services available to assist the seafarers.*

What government department or agency can arrange transport, provide legal counsel and interpreters, provide psychologists and other counselling services, and otherwise meet the broad range of welfare and pastoral care needs of these traumatised seafarers?? And provide this at any port in Australia at short notice!

In most ports and most incidents the only available persons to take on such a multi-task role are those at the Mission port based seafarers welfare centres.

Why should the Mission and other port based seafarers welfare organisations continue to fill this role when it is the responsibility of the shipowner, government and others under the MLC to undertake these tasks as part of their duty of care and convention obligations?

The Mission will of course continue to undertake these important activities as the welfare needs of the seafarer transcend such matters. Though in future it's not unreasonable to expect that these services will be provided by the seafarers centre on a fee for service basis to government agencies and shipping companies who have the MLC responsibility to provide these services!! This committee should take note of this for consideration as part of the Inquiry.

#### Seafarer Suicide

The Mission views the number of suicides and attempted suicide amongst flag state and FOC ship crews to be a matter of gravest concern. A number of suicides occur around the Australian coastline each year. Most are reported and dealt with as "accidents". Accidents where a seafarer slips and somehow falls over the side of the ship. Modern ships are designed to ensure there is no need to work at sea close to the ship side and are fitted with high bulwarks and railings to prevent an accidental fall into the sea. To end up in the sea and drown a seafarer must be either pushed or dropped over, as is alleged in the cases of the MV Sage Sagittarius and MV K Pride, or a person climbs over to jump into the sea in an act of suicide.

Foreign flag stet investigations into such incidents leave a lot to be desired, especially among some FOC states. Accidental death easily and simply explains away the death with minimal inconvenience for the flag state or FOC state and shipowner, and no consideration for the seafarer involved, the remaining

crew, the social environment onboard that may have led to such an act or the family of the deceased seafarer.

Where such matters are investigated by Australian authorities, be they Commonwealth, State or territory, there is a limit to the depth of the investigation that can be undertaken given the foreign flag status of the ship concerned. The Mission is also concerned at the specific investigative process used. In most cases crew are interviewed together and in complex spoken English. Foreign seafarers are too scared to openly speak in front of senior officers and require one on one questioning where their confidentiality is protected. Foreign crew may speak very little if any English, English may be the global shipping language but only senior officers may be conversant in it. For most crew English may be their third or fourth language depending on national, local and normal shipboard languages spoken. Of equal importance is the psychological impact of the events surrounding a suicide and the fear created by police and other agency interviews. Persons conducting such interviews are not trained in dealing with foreign seafarers from many different nationalities, ethnicities, languages and customs and the majority of interviews will be unlikely to gain the desired information of relevance to the incident. This is of concern to the Mission and warrants consideration by the Inquiry as to how agencies may be provided with the training knowledge and skills to effectively and appropriately undertake interviews with foreign crews to determine the true cause of death, including suicide.

In summation:

The well-being of foreign seafarers on ships carrying our import and export cargoes is a priority for all of us as the stability offered from seafarers with low stress and rested from a break ashore is a key to our prosperity and productivity

As outlined earlier - the welfare, the safety and the security of these foreign seafarers should be of paramount importance to Australia.

All Australians, especially our governments, ports, ship agents and the exporters and importers, should have an interest in the welfare of these foreign ship crews who maintain our current standard of living

In most cases shore based seafarers welfare centres operated by the Mission to Seafarers and others will be the centre point for MLC based welfare issues. A point of contact and activity around which government, shipping companies, ports and the broader maritime industry will focus in meeting their MLC obligations

We all have an important part to play in delivering on the MLC welfare provisions in all Australian ports to flag state and FOC shipping alike.

The burden of care must be shared by us all

The long term funding of port based seafarers welfare centres needs to be addressed to ensure the centres can continue to provide the level of service across welfare, pastoral care and spiritual support needed by the foreign seafarers our nation relies on for its prosperity.

It used to be said that "Australia's prosperity rode on the sheep's back". It could now be stated that "Australia's prosperity rides on the back of foreign seafarers from third world countries on minimal wages and conditions and open to many forms of abuse".

Not a great track record where we seem to have cared more for the sheep than the human beings!!!