

**Ship Safety Review Inquiry  
Progress Report**

**The House of Representatives Standing Committee on  
Transport, Communications and Infrastructure**

**November 1994**

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ON TRANSPORT, COMMUNICATIONS  
AND INFRASTRUCTURE**

**(37TH PARLIAMENT)**

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1.    Replaced Mr Paul Neville MP 20 September 1994.
2.    Joined sub-committee on 31 August 1994.



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## **TERMS OF REFERENCE**

### **SHIP STANDARDS AND SAFETY REFERENCE**

The report, 'Ships of Shame - Inquiry into Ship Safety', of December 1992, effectively highlighted the complex issues associated with improving shipping standards and safety. Its recommendations build upon the range of initiatives undertaken by the Federal Government to address the problem of substandard ships and provides a framework for future action.

The Committee is requested to continue working with the Federal Government in pursuing a safer and more responsible international shipping industry by inquiring on an ongoing basis into developments at the national and international level in relation to the issues identified in the 'Ships of Shame' report.

The Government intends this to be an ongoing reference for the term of the current Parliament and the Committee may report to the Parliament from time to time.





## OVERVIEW

1. The 'Ships of Shame' report was well received both here in Australia and internationally. It has raised worldwide awareness of the scope of ship safety problems. The Australian government's response to the report, while rejecting some of the recommendations, was largely supportive.
2. This progress report outlines the implementation of the 'Ships of Shame' recommendations and also advances some new solutions to ship safety issues.
3. In addition, the committee has requested that the government reconsider several of the recommendations it earlier rejected. In particular, the committee feels that the government should reconsider its position in regard to the requirement for possession of compulsory insurance cover and proof of compliance with ILO 147. The committee suggests means by which these recommendations may be implemented.
4. Lack of compliance with international convention requirements by some flag states is a major ship safety problem. This lack of compliance can be attributed to the inability of the IMO to ensure compliance with convention requirements. In this report the committee recommends that the IMO be given the power to ensure compliance by having the ability to suspend or expel flag states from conventions with which they do not comply.
5. The committee is deeply concerned with the continued abuse and maltreatment of crew on some ships. The committee has repeated its call for the government to require proof of compliance with the provisions of ILO 147 from vessels visiting Australian ports.
6. Following a request by the committee the Australian Maritime Safety Authority has begun simplifying its monthly publication of port state control information to ensure that it can be easily understood by the general public and media.
7. The committee has asked the Australian Maritime Safety Authority to produce a set of performance indicators to enable it to improve its deployment of resources to better target substandard shipping.
8. The committee will provide a further report to parliament towards the end of 1995.



## RECOMMENDATIONS

The committee recommends that:

1.(a) That the Australian Government propose at the International Maritime Organisation that the International Maritime Organisation be given the power to sanction member states that do not meet their international maritime convention responsibilities.

1.(b) That this ability to sanction include the ability to suspend, expel or reinstate member states of a convention.

[paragraph 3.16]

2. That the Commonwealth government take action to ratify *International Labour Organisation Convention 147, Merchant Shipping (Minimum Standards) 1976* as soon as possible.

[paragraph 3.30]

3. That the Australian Maritime Safety Authority produce a set of region based performance indicators for inclusion in its annual port state control report.

[paragraph 3.40]



## CHAPTER 1

### Introduction

#### Terms of reference and conduct of the inquiry

1.1 The House of Representatives Standing Committee on Transport, Communications and Infrastructure tabled the report of its inquiry into ship safety, 'Ships of Shame' in December 1992.

1.2 On 13 December 1993 the committee received a reference from the Minister for Transport and Communications asking the committee to keep a watching brief on ship safety issues.

1.3 The inquiry was advertised in the *Daily Commercial News* on 15 April 1994.

1.4 A subcommittee of Hon P Morris (Chairman), Mr G Campbell, Mr E Cameron and Mr C Hollis was appointed to conduct the inquiry.

1.5 The committee received 27 submissions and took evidence at two public hearings and two information forums.

1.6 The committee adopted a new format of information forums. The forums have similar status as public hearings and a transcript was produced by Hansard. The forums proved to be most effective in enabling the participants to question each other as well as being questioned by sub committee members.

1.7 Details of the conduct of the inquiry are at Appendix 1.

#### 'Ships of Shame'

1.8 The 'Ships of Shame' report has been successful in raising the profile of ship safety issues. The report received wide coverage in both TV and print media. Both the BBC's 'London Panorama' and the Australian 'Sunday' programs ran major documentaries on ship safety based on the 'Ships of Shame' report. An article in the Readers Digest based on the 'Ships of Shame' report was released in nine countries.

1.9 Many international maritime organisations have supported the recommendations of the 'Ships of Shame' report (Transcript:27.9.94). To the committee, the acceptance of the report's recommendations and the wide coverage given to the report are indications that the report has correctly identified the fundamental causes of sub standard shipping and has outlined effective solutions. Consequently, the committee will be maintaining the pressure on the issues identified in the 'Ships of Shame' report. The committee will also outline several new initiatives. A copy of the Australian government's response to the report is at Appendix 2.

### **Scope of inquiry**

1.10 As with the 'Ships of Shame' report the committee adopted a broad approach in interpreting the terms of reference. The inquiry was divided into two broad areas - monitoring the implementation of its recommendations and ongoing initiatives in ship safety regulation.

1.11 In this progress report the committee examines the level of implementation of each of the 'Ships of Shame' recommendations. In a later chapter recommendations which were not accepted by the Australian government and which the committee still feels are desirable will be examined.

1.12 As shipping is essentially an international industry the committee necessarily examined issues of an international nature. These issues include the difficulty of unilateral action.

1.13 In its original inquiry the committee was often told that individual nations could not act alone. Similar views were expressed in the review inquiry.

1.14 The committee does not accept this view. Where action needs to be taken, it can be taken. For example, when the committee first considered that port state control information be published it was told that such action would breach commercial confidentiality, damage company reputations and could harm Australia's international trade position.

1.15 Port state control information is now being published with no discernible effect on Australia's international trade. It is interesting to note that both the United Kingdom and the United States are foremost in publishing port state control information.

1.16 The committee believes that progress is achievable if the required political will is applied. Some of the recommendations in this report will require considerable political will from responsible shipping nations. The committee believes that this support should be and will be forthcoming.

### **Structure of report**

1.17 Chapter 2 examines the current state of implementation of the 'Ships of Shame' report recommendations.

1.18 Chapter 3 outlines the committee's ideas on new initiatives to further improve ship safety. These initiatives include, port state control performance indicators, the publishing of port state control detention information, the requirement for compulsory insurance cover and increased penalties for breaches of ILO 147. The committee makes recommendations concerning these initiatives.

1.19 In Chapter 4 the committee sets out its conclusions.





## CHAPTER 2

### Implementation of Recommendations

#### Recommendation 1(a)

2.1 The committee recommended that:

Australia's representation at the International Maritime Organisation be strengthened by the inclusion of industry and trade delegates with relevant experience.

#### Implementation

2.2 In its response the Australian government stated that industry and unions are closely consulted in developing the Australian position at the International Maritime Organisation (IMO) and that industry representatives frequently attend the IMO technical committee and sub committees.

2.3 Industry discussions are conducted through a variety of consultative mechanisms including the Bulk Cargoes Advisory Group, the Technical Committee of the Australian Ship Owners Association, the Ship Standards Advisory Committee established under the framework of the Australian Transport Council and through regular meetings with union representatives particularly on issues associated with the STCW convention.

#### Recommendation 1(b)

2.4 The committee recommended that:

The Australian Maritime Safety Authority meet the cost of the increased industry and trade union representation.

#### Implementation

2.5 The Australian government did not accept that industry and trade union representatives should be funded to attend IMO meetings. The committee believes that by refusing to fund these representatives the government effectively undermines its acceptance of Recommendation 1(a).

## **Recommendation 1(c)**

2.6 The committee recommended that:

The Australian Maritime Safety Authority consult with industry on the merit of appointing a permanent delegate to the IMO.

### **Implementation**

2.7 In its response the commonwealth government gave an assurance that the Australian Maritime Safety Authority (AMSA) will consult with industry to ensure that Australia's representation at the IMO is as effective as possible.

2.8 AMSA consulted industry on the appointment of a permanent delegate at the IMO through the AMSA Advisory Committee. The committee felt that at this stage there was no requirement for a permanent delegate as the current level of participation ensured that Australian interests were well represented at IMO.

## **Recommendation 2**

2.9 The committee recommended that:

The Secretary General of the IMO be authorised to initiate action in relation to matters of significance which arise between Council meetings at the request of a member State.

### **Implementation**

2.10 This recommendation was not accepted. The commonwealth government considered that the implications of increasing the power of the secretary-general of the IMO extended beyond the IMO to other UN organisations. Consequently, increasing the powers of the secretary-general needs to be looked at very carefully.

2.11 The powers of the IMO secretary-general have not been increased. However, the committee is pleased to see that the effectiveness and speed of the IMO's response to ship safety problems has improved. This improvement is generally attributed to the energy and direction provided by the current secretary-general of the IMO, Bill O'Neill (Transcript;27.9.1994:52,99).

2.12 Despite this improvement the committee believes that the IMO needs to be given the means to respond to ship safety issues more urgently. The committee's proposals are at paragraphs 3.8-3.16.

### **Recommendation 3(a)**

2.13 The committee recommended:

That the Maritime Safety Committee urgently complete its inquiry into flag state compliance.

### **Implementation**

2.14 The Flag State Implementation committee (FSI) has had two meetings. At these two meetings the FSI committee has made some progress. Progress to date includes:

- . the development of standards for classification societies which act on behalf of flag states - this will force flag states to assess the classification societies they recognise to ensure that they meet the necessary requirements
- . the development of guidelines to assist flag states in implementing safety and pollution prevention conventions - these guidelines were adopted as resolution A739(18)
- . FSI has assumed responsibility for casualty statistics - a panel of experts has been established to examine the statistics, this should achieve two objectives:
  - it will allow a more precise and global review of shipping casualties

- it will provide an internationally accepted basis for identifying those flag states which are under performing

FSI has accepted responsibility for the IMO oversight of port state control matters which was hovering between the Maritime Safety Committee and Marine Environment Protection Committee. This has given renewed emphasis to the role of port state control and has provided several benefits including the training of port state control inspectors and the encouragement of regional groupings such as the Tokyo MOU (Transcript:267,268).

### **Recommendation 3(b)**

2.15 The committee recommended:

That appropriate operating criteria for classification societies be devised and that only certificates from classification societies, including when a classification society acts as an agent for a flag state, which comply with those criteria be recognised as valid internationally.

### **Implementation**

2.16 Guidelines for a model agreement between classification societies and flag states are being developed by the FSI sub committee (Transcript:268). This agreement will clearly set out the standards of service required from classification societies to meet their obligations.

2.17 Consideration has not been given to invalidating the certificates issued by classification societies which do not meet convention requirements.

2.18 The International Association of Classification Societies (IACS) has introduced several schemes which will improve the performance of IACS classification societies. These schemes are:

- a transfer of class agreement; this agreement makes it mandatory for information concerning a vessel which is changing class to be passed to IACS and between the incumbent and the receiving classification societies

- an enhanced survey program for bulk carriers and tankers conducted in conjunction with the five year renewal cycle of the Ship Safety Construction Certificate - this survey program includes detailed thickness measurements of critical structures and close up visual inspection of the vessel's structure
- a Quality System Certification Scheme (QSCS), which has been audited by the IMO, to improve the quality of classification services.

### **Recommendation 3(c)**

2.19 The committee recommended:

That IMO approve a 'seal of approval' to those classification societies meeting its set criteria.

#### **Implementation**

See 3(b).

### **Recommendation 3(d)**

2.20 The committee recommended:

That an IMO representative participate in the International Association of Classification Societies Quality System Certification Scheme audit team.

#### **Implementation**

2.21 Mr Gordon Thompson, a former UK Surveyor-General, has been appointed by the IMO as auditor of the IACS Quality System Certification Scheme. Initial audits have been completed and further audits will be conducted on a 3 yearly basis.

2.22 Also, IACS has also introduced a vertical contract audit system. These audits, conducted by the IACS Quality Secretary, are random and look at a particular classification society contract starting with the paperwork through to the actual work on the ship. This represents a considerable improvement in the monitoring of the quality of classification society services (Transcript:27.9.94:141).

#### **Recommendation 4(a)**

2.23 The committee recommended that:

The Australian Maritime Safety Authority have access to sufficient funds to increase the rate and effectiveness of Port State Control inspections to the level where it ceases to be viable for substandard shipping to call at Australian ports.

#### **Implementation**

2.24 In its response to the committee's report the Australian government stated that funding for Australian Maritime Safety Authority operations would have to be funded through the proceeds of the Marine Navigation (Regulatory Functions) levy.

2.25 The committee believes that AMSA is operating effectively within its funding constraints.

#### **Recommendation 4(b)**

2.26 The committee recommended that:

The Australian Maritime Safety Authority not be required to pay a dividend to Government and that these funds be used to improve the effectiveness of the port state control function.

#### **Implementation**

2.27 AMSA will continue to pay a dividend as the payment of a dividend is basic to the Australian government's philosophy of operating its business enterprises.

2.28 The committee still believes that ship safety should to some extent be funded by government as there are community service aspects to ship safety. It retains the view that the Australian government should bear the costs of the community service aspects of ship safety.

2.29 The committee calls on the government to re examine the funding of ship safety services to ensure that the AMSA has adequate resources to meet its obligations to protect the safety of life and the marine environment.

#### **Recommendation 4(c)**

2.30 The Committee recommended that:

The Australian Maritime Safety Authority impose a penalty surcharge on substandard shipping to fund the increased level of operations generated by these vessels.

#### **Implementation**

2.31 AMSA will not be applying a punitive levy. The Australian government does not believe that a punitive levy is necessary to supplement the existing deterrent, of the cost of delays, if a ship is detained.

2.32 That ships continue to be detained at Australian ports is an indication that the current penalties are not sufficient (AMSA:1993). The penalties need to have a greater deterrent effect.

2.33 The committee agrees with Lord Donaldson where, in his report, he suggests that increased penalties should be placed on sub standard ships (Donaldson;1994:153).

2.34 While the imposition of a fine may be considered to be impractical there are other measures which can be used. Denying sub standard ships the use of port loading and unloading facilities until repairs have been undertaken would act as an additional deterrent to detention.

2.35 The committee calls on the Australian government to conclude an agreement with state governments under which sub standard ships will be denied use of port loading and unloading facilities until ship deficiencies have been repaired.

### **Recommendation 5(a)**

2.36 The committee recommended that:

The Australian Maritime Safety Authority publish each month the results of its port state control inspections in each port.

#### **Implementation**

2.37 The Australian government accepted this recommendation. Details of developments in this area are at paragraphs 3.1-3.7.

2.38 Legislation is being drafted which will give AMSA greater protection when publishing port state control information. The legislation will be presented to parliament in the 1994 Spring session and should become law by early 1995.

### **Recommendation 5(b)**

2.39 The committee recommended that:

This publication should include, the name of the ship on which defects are found, the nature of defects, the beneficial owner, the manager of the ship, classification society, flag state, the dates of the latest port state control and special survey inspections, type of charter, charterers and the relevant AMSA surveyor's name.

#### **Implementation**

2.40 The Australian government accepted that this information should be published with the exception of the surveyors name. It believes that it would be inappropriate to publish the names of surveyors who are acting as delegates of the authority. This information is to be included in the monthly publication of port state control information. A copy of the publication format is at Appendix 3.



### **Recommendation 5(c)**

2.41 The committee recommended that:

The Australian Maritime Safety Authority ensure that information is made available promptly to parties as specified in existing Marine Orders.

#### **Implementation**

2.42 AMSA has reviewed the distribution of its reports and will ensure that they are available to interested parties as specified under Marine Orders Part 11.

### **Recommendation 6(a)**

2.43 The committee recommended that:

It be mandatory for dry bulk carriers entering Australian ports to carry a Survey History File consisting of all documents relating to a ship's structure which contains a history of port state inspections, structural inspections and repairs or alterations.

#### **Implementation**

2.44 Under the International Convention for the Prevention of Pollution from Ships (MARPOL) oil tankers will be required to carry a survey history file by 6 July 1995. This requirement is to be extended to bulk carriers under the International Convention for the Safety of Life at Sea 1974 (SOLAS) by 1 January 1996.

### **Recommendation 6(b)**

2.45 The Committee recommended that:

The Survey History File should be available to both port state control and classification society surveyors.

### **Implementation**

2.46 It is anticipated within the IMO that this information will be available to port state control and classification surveyors. The Australian government has asked AMSA to do all that it can at the IMO to ensure that this outcome is achieved.

### **Recommendation 6(c)**

Full information on the commercial chain from the beneficial owner to cargo owner should be available to AMSA so that the responsibility for pollution damage can be readily determined.

### **Implementation**

2.47 AMSA is now collecting as much of this information as possible. Details of ship owners, managers and charterers and types and lengths of charter are being collected for inclusion in the monthly port state control publication.

### **Recommendation 7(a)**

2.48 The committee recommended that:

The IMO establish an international accreditation system for crew training and subsequent issuing of qualification certificates.

### **Implementation**

2.49 In its response the Australian government did not consider that IMO was the appropriate body to establish an accreditation system for training standards. Training standards are the responsibility of the contracting states and accreditation by the IMO may offend national sensitivities.

2.50 Training standards are being addressed in the review of the Standards of Training, Certification and Watchkeeping (STCW) convention. The review of the convention is focusing on a functional approach to training rather than setting prescriptive standards (Transcript:336,337).

2.51 The verification of certificates is receiving considerable attention during the review of the STCW convention. Maintaining a crew certificate data base has been suggested, but it appears unlikely to be developed in the near future (Transcript:338).

2.52 The committee retains its belief that an IMO accreditation system for crew certificates would be an effective tool in establishing the bona fide of crew certificates during a port state control inspection. The Australian government should ensure that its delegates at the IMO work to have such a data base established.

2.53 The ability to ensure compliance with convention requirements is being proposed in the review of the convention. The committee welcomes this development. It has the potential to make the IMO more effective in improving ship safety.

2.54 Under the proposed amendments port states will not be obliged to extend convention privileges to flag states which fail to meet convention requirements (Transcript:339). This idea is looked at in detail in paragraphs 3.8-3.16.

#### **Recommendation 7(b)**

2.55 The committee recommended that:

|   |
|---|
| AMSA obtain samples of crew certificates from each flag state to assist in determining the authenticity of documents sighted by AMSA surveyors. |
|---|

#### **Implementation**

2.56 AMSA has written to flag states asking for copies of certificates. AMSA advises the committee that the response has been very poor. AMSA is hoping that the review of the STCW convention will clarify certificate issues.

## **Recommendation 8**

2.57 The committee recommended that:

The Australian Maritime Safety Authority, in conjunction with the Australian Maritime College, establish training courses and assessment criteria which will improve the consistency of inspection outcomes by ship surveyors.

### **Implementation**

2.58 AMSA, in conjunction with the Australian Maritime College, has established a course for port state control surveyors. The objectives of the course is to complement the surveyors technical skills by integrating those skills into the requirements of the regulatory framework. Some surveyors have already completed the course.

2.59 The AMC is looking at the option of offering a similar course to marine surveyors not involved in port state control, however, the course would focus on the commercial rather than the regulatory requirements of marine surveyors.

## **Recommendation 9**

2.60 The committee recommended that:

All international shipping organisations adopt IMO Resolution A647(16) as the base standard of operations for all members.

### **Implementation**

2.61 The 'Guidelines for the Management of the Safe Ship Operations and Pollution Prevention', known as the International Safety Management (ISM) code, is designed to provide a framework for ship owners and managers to ensure that ship board operational procedures promote safety.

2.62 The ISM has been adopted as Chapter 9 of SOLAS. It will become mandatory by 1 June 1998. Australian shipowners have agreed to implement ISM by July 1995 (Transcript:194).

### **Recommendation 10(a)**

2.63 The committee recommended that:

The Federal Government examine means by which the level of Australian assistance to Asian and Pacific neighbours relating to crew training can be extended.

#### **Implementation**

2.64 The Australian government has provided funding for the Pacific Maritime Centre at the Australian Maritime College (AMC). The centre serves as a focus for the AMC's education, training and research activities in the Asia/Pacific area.

2.65 The government also provides support through the provision of overseas aid program. Current assistance includes programs of training and the provision of infrastructure for maritime schools in Kiribati, Tuvalu and Fiji.

2.66 Currently, there are 22 students from the Asia/Pacific area enrolled in a Sponsored Training Program..

### **Recommendation 10(b)**

2.67 The committee recommended that:

The Australian Maritime College explore opportunities to raise its profile as a maritime training institution to attract increased numbers of international students to the College and associated port based Technical and Further Education Colleges.

#### **Implementation**

2.68 The AMC raises its profile within the Asia/Pacific through a twinning arrangement with other maritime institutions in the Asia/Pacific area. These twinning arrangements enable the exchange of resources and personnel.

## Recommendation 11

2.69 The committee recommended that:

The Federal Government deny entry to ships which do not meet ILO 147 standards in relation to crew employment conditions from trading in Australian waters.

### Implementation

2.70 The committee is very concerned by the continuing exploitation and abuse of seafarers and is disappointed by the Australian government's *failure to accept this recommendation.*

2.71 The government considered that it was impossible to assess whether a ship complied with ILO 147 until it was already in port. Therefore, they could not be prevented from trading in Australian waters.

2.72 The Australian government went on to state that the existing system which allows for ships which are found not to comply with ILO 147 to be detained is sufficient deterrent.

2.73 The committee does not agree with this proposition. Ships which do not comply with the provisions of ILO 147 are still detained at Australian ports (AMSA;1993:36). Obviously, the current arrangements are not a sufficient deterrent.

2.74 Penalties for ships found not to be meeting ILO 147 standards need to be tougher. The committee proposes that ships which are found to be deficient in the ILO 147 areas not be allowed to use port loading and unloading facilities until they have met ILO 147 requirements.

2.75 The committee strongly believes that firmer action needs to be taken in this area and calls on the commonwealth government to reconsider its response to Recommendation 11, particularly, in the light of the European Commission's draft proposals for treatment of ILO 147 matters during port state control inspections.

## **Recommendation 12(a)**

2.76 The committee recommended that:

The Australian Maritime Safety Authority establish a comprehensive ship information base.

### **Implementation**

2.77 AMSA has developed its data base since the 'Ships of Shame' report was released. In particular, the development of the data base has enabled AMSA to better target likely substandard ships.

2.78 There is also the opportunity of sharing information with the Paris MOU and within the Asia/Pacific MOU. While Tokyo MOU port state control information may not yet be in electronic form in several countries it is available. Australian port state control information is in electronic form and is available to both the Tokyo and Paris MOUs (Transcript:311).

## **Recommendation 12(b)**

2.79 The committee recommended that:

The data base be made available to any party with a valid interest in ship safety.

### **Implementation**

2.80 AMSA has increased the circulation of its monthly publication of port state control statistics. In its negotiations with AMSA over the publication of port state control statistics the committee has asked that the information be made available to the general media. AMSA is taking steps to provide the information to the general media.

### **Recommendation 12(c)**

2.81 The committee recommended that:

The IMO establish a comprehensive international ship information data base which is available to any party with a valid interest in ship safety.

#### **Implementation**

2.82 The IMO has a significant data base. In particular, with the FSI committee taking over responsibility for casualty statistics there will, in the future, be more reliable casualty statistics.

2.83 The committee agrees with the Donaldson report recommendation that port states, potential ship charterers and marine insurers have access to an international data base of port state control information (Donaldson;1994: 377).

2.84 This data base need not be maintained by the IMO. The current system where the various regional port state control systems swap information on as needed basis could be enhanced.

2.85 The committee believes that the Australian government should ensure that cooperation between regional port state control systems include the free and open exchange of information.

### **Recommendation 13**

2.86 The committee recommended that:

The Australian Government require proof of possession of adequate Protection and Indemnity insurance cover as a prior condition of entry of any foreign vessel into Australian ports.

#### **Implementation**

2.87 The Australian government did not accept this recommendation.



2.88 Following wide circulation of a discussion paper, AMSA submitted a formal paper for consideration by the 36th IMO Marine Environment Protection Committee (MEPC - 31 October to 4 November 1994). The paper summarised the IMO deliberations to date and canvassed a number of options. There was strong support for Australia's submission at MEPC 36 and the committee agreed to refer the issue to the IMO Legal Committee with a request that MEPC be kept informed of progress.

2.89 Details of the committee proposals in this area are at paragraphs 3.17-3.22.

#### **Recommendation 14(a)**

2.90 The committee recommended that:

The Minister for Shipping and Aviation Support initiate an independent review of the structure and operating procedures of the Marine Incident Investigation Unit with a view to improving the breadth and consistency of its investigations.

#### **Implementation**

2.91 A review of the Marine Incident Investigation Unit has been undertaken. As a result of the review there has been a reorganisation of the unit and a specialist marine engineer has been recruited. Additionally, the Unit has established a computerised accident information data base which will allow the unit to examine possible correlations between the physical and human elements in marine accidents.

#### **Recommendation 14(b)**

2.92 The Committee recommended that:

The conclusions of the Marine Incident Investigation Unit investigators into marine incidents be more widely publicised throughout the shipping industry, including through industry and employee association publications similar to the practice followed by the Bureau of Air safety Investigation.

## **Implementation**

2.93 The distribution of the MIIU reports has been reviewed and circulation has increased by 75 from May 1993 to March 1994. In May 1993 the unit surveyed the marine industry to assess the acceptability of incident reports and how they could be improved to as a tool to help prevent accidents. The format of reports has been altered to take into account the results of the survey. Details of the distribution of the MIIU accident reports are at Appendix 4.

## CHAPTER 3

### New Initiatives

#### Publication of monthly port state control statistics

3.1 In the 'Ships of Shame' report the committee recommended that AMSA publish port state control information (Recommendation 5(a),(b),(c)). AMSA has been publishing this information. However, the committee felt that the information could not be easily understood by the public and media.

3.2 On the committee's initiative the Australian Maritime Safety Authority has redesigned its monthly publication of ship deficiencies. To maintain the focus on genuinely substandard ships it has been decided that only those ships which are detained would be included in the publication. The distribution of the information will also be increased to include the general media.

3.3 The following information is included in the monthly publication:

- . ship name
- . IMO number
- . classification society
- . flag state
- . cargo type
- . shipowner
- . ship manager
- . charterer
- . charter type
- . port and date of inspection
- . last PSC inspection
- . last special survey
- . serious deficiencies detected
- . action taken to rectify.

3.4 The committee believes that the monthly publication of the details of port state control detentions achieves two main purposes.

3.5 Those who operate and use sub standard ships are exposed to public view. Ship operators, ship managers, charterers and cargo owners have a responsibility to ensure that the ships they operate or employ do not endanger those that serve in them or to pose a threat to the marine environment. The cost and embarrassment of public exposure will act as a deterrent to substandard operators and those that use sub standard ships (Transcript;27.9.94:67).

3.6 The publishing of information gives an indication of the level of port state control inspections and indicates to operators and users of substandard ships that they are taking a real risk in having their ship detained when coming to Australia.

3.7 The publishing of the revised document will commence shortly.

#### **Flag state compliance**

3.8 The committee believes that the lack of compliance by flag states with international maritime convention requirements that they have ratified is the most serious problem currently facing ship safety (Transcript:298,299).

3.9 Some flag states ratify an IMO convention and then ignore the responsibilities of the convention - and the IMO is powerless to intervene. The IMO needs to be given the ability to ensure compliance with conventions.

3.10 The performance of the IMO has improved in recent times. Both the International Chamber of Shipping and the Institute of London Underwriters told the committee that the speed of the IMO's response to ship safety problems had improved. They went further to say that this improvement is due to the energy and direction of the new IMO Secretary-General Bill O'Neil (Transcript;27.9.94:52,99). Despite this improvement the IMO still lacks real bite when it comes to ensuring compliance with international conventions.

3.11 The committee believes that the IMO should be able to suspend, or ultimately expel, flag states from conventions if they fail to meet convention responsibilities. Initially, flag states which are considered not to be complying with the requirements of a particular convention would be warned that they are being observed and their performance monitored.

3.12 If a flag state continues to ignore its convention responsibilities it would be suspended from the convention. The flag state would then be given a specified time to implement means by which it is able to comply with convention responsibilities.

3.13 When the flag state is judged to meet convention requirements it could be readmitted to the convention on a probationary basis. Its performance would be monitored for twelve months. If its performance is satisfactory after twelve months it could be readmitted to the convention.

3.14 If the flag state fails to meet convention requirements after the suspension period it would then be expelled from the convention. Expulsion would mean that port states would not have to extend convention privileges to the expelled flag state.

3.15 The committee views the withdrawal of convention privileges as a most effective sanction. It should be a course of last resort but it may force flag states, with their 'flags of shame', which do not comply with convention requirements to rethink their approach to flag management.

3.16 ***The committee recommends:***

1.(a) That the Australian Government propose at the International Maritime Organisation that the International Maritime Organisation be given the power to sanction member states that do not meet their international maritime convention responsibilities.

1.(b) That this ability to sanction include the ability to suspend, expel or reinstate member states of a convention.

#### **The possession of compulsory insurance cover**

3.17 Recommendation 13 of 'Ships of Shame' proposed that proof of insurance cover should be necessary for ships seeking to enter Australian ports.

3.18 In its response to the report the government considered a requirement for proof of cover to be impractical, as there was no way of assessing whether a ship possessed cover prior to its entry to an Australian port. It was also considered that the requirement for compulsory insurance cover could be viewed as a unilateral action by other member states of the IMO.

3.19 The committee believes that these matters can be overcome.

3.20 The introduction of a self reporting system whereby ships would be required to report that they possess the requisite cover 24 hours prior to calling at an Australian port would alleviate the problem of Australian authorities having to establish whether a ship had cover or not. If a vessel is discovered to have entered an Australian port without cover it would be recorded, entered into the AMSA ship targeting system and would subsequently be subject to increased port state control surveillance.

3.21 Australia would not be alone if it required proof of insurance cover. Other nations require proof of insurance cover, notably, the United States. The OIL Pollution Act 1990 (OPA) makes it mandatory for oil tankers visiting the United States to possess certificates of financial responsibility. South Korea requires that insurance cover be carried by ships visiting its ports (Transcript:158,159).

3.22 The committee does not view the issues raised by the government in its response as sufficient reason to prevent Australia requiring proof of insurance cover from ships seeking to enter its ports. The committee calls on the government to reconsider its rejection of Recommendation 13 of the 'Ships of Shame' report.

#### **Ratification of ILO 147**

3.23 The committee remains deeply concerned at the treatment of crew on some ships. There are still instances of ships being detained because of unsanitary conditions, lack of sufficient food, inadequate medical supplies and equipment, inappropriate working areas, insufficient training and a lack of attention to accident prevention (AMSA:1994:36-39).

3.24 The 'Ships of Shame' report recommended that the Australian government deny entry to ships which do not meet ILO 147 standards from trading in Australian waters.

3.25 The government in its response stated that the recommendation was impractical and that the current deterrents to breaches of ILO 147 are sufficient (Paragraphs 2.70-2.75)

3.26 The committee stands by this recommendation. It would be beneficial if a system of self reporting similar to that proposed for proof of insurance cover was implemented (Paragraphs 3.17-3.22). As with a lack of insurance cover, ships which are found not to comply would be subject to increased port state control surveillance.

3.27 The Australian government is yet to ratify ILO 147. In a letter to the chairman in May 1994 the Minister for Industrial Relations states that while the ratification of ILO 147 is accorded a high priority there is still a '*need to ensure compliance in law and practice, to obtain the agreement of the states, Territories and relevant federal authorities, and to consult with the ACTU and the ACCI...*'.

3.28 A copy of the minister's letter and details of Australian initiatives to ratify ILO 147 are at Appendix 5.

3.29 The committee views ILO 147 as an important convention and despite the difficulties with ratification believes that the Australian government should move as soon as possible to ratify ILO 147.

3.30 The committee recommends:

2. That the Commonwealth government take action to ratify *International Labour Organisation Convention 147, Merchant Shipping (Minimum Standards) 1976* as soon as possible.

#### Port state control program performance indicators

3.31 The development of performance indicators is now an accepted aspect of public sector management. AMSA at the initiative of the committee is now developing performance indicators for the port state control program.

3.32 It is important that AMSA in developing port state control performance indicators has clear program objectives. The committee sees the program's overriding objective as being to deter substandard ships from calling at Australian ports.

3.33 The international nature of the shipping industry has made the development of performance indicators difficult. Sufficient data to produce a meaningful indicator has proven to be both rare and expensive.

3.34 During the 'Ships of Shame' inquiry the committee was told that increased port state control activity would result in some vessels avoiding Australia and increased prices.

3.35 To the best of the committee's knowledge this has not happened. In fact, better targeting and more rigorous AMSA inspections appear to have resulted in sub standard shipping avoiding Australia and increasing their presence in other areas of the world.

3.36 Major shipping organisations such as BHP Transport, CRA and the Australian Shipping User's support the committee's view on this matter. BHP suggest that any effects from increased Australian port state control activity may have forced CRA offers some evidence that increased Port state control activity may have forced some ships from the Pacific trades into the Atlantic. The Australian Shipping Users Group supported these views (Transcript:49,50,51,103).

3.37 There was general agreement at an information forum held by the committee in Sydney on 27 May that major charterers and traders are demanding quality services. Quality services must be extended to all parties in the maritime business - the shipowner, ship manager, classification societies and insurance companies. It is because of this demand for quality services in the Asia/Pacific area that some vessels have moved away from the Pacific trades (Transcript:143,144).

3.38 The committee has suggested to AMSA that it develop an indicator from the information it collects routinely. The indicator may take the form of a ratio of the number of ship detentions as a function of the number of ships calling at Australian ports and the number of ship inspections.



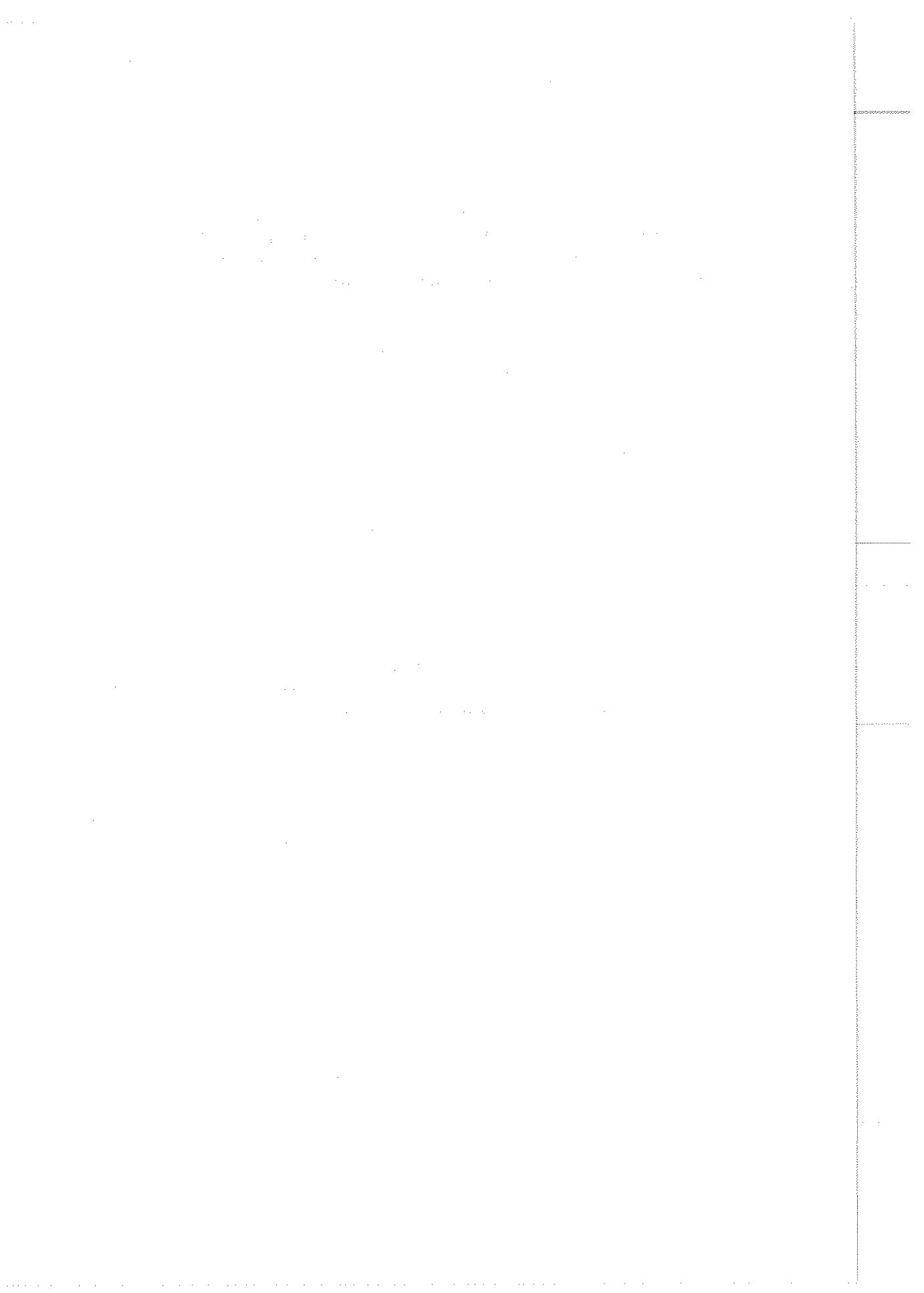
3.39 The committee accepts that there are difficulties with this approach. There are problems with appropriating cause to certain factors when it is not clear why they may have occurred. For example, the number of detentions may rise because the standard of ships may have fallen, or it may be an indication of an increased number of inspections or it may be a reflection of the effectiveness of the ship targeting system.

3.40 While the committee recognises these problems it does not see them as barriers to the development of performance indicators. In developing performance indicators AMSA should provide comprehensive instructions on how to use the indicators and the assumptions that have been made in their calculation.

3.41 AMSA has advised the committee that an Australia wide indicator would not give an accurate picture of the effectiveness of the program. The committee agrees with this. It believes that indicators should be developed along regional lines, for example, North Western Australia, or the Sydney region which would take in Newcastle and Port Kembla.

3.42 The committee recommends:

3. That the Australian Maritime Safety Authority produce a set of region based performance indicators for inclusion in its annual port state control report.



## CHAPTER 4

### Conclusions

4.1 Eradication of sub standard shipping requires a range of measures aimed at the main players in international shipping. These are:

- . ship owners and managers
- . classification societies
- . flag states
- . charterers and cargo owners.

4.2 Improved performance by each of these participants will improve the standard of ship safety worldwide.

4.3 The performance of owners and managers has been targeted by the incorporation of the ISM code as a chapter of the SOLAS convention and the publishing of port state control information.

4.4 A particularly important aspect of the ISM code is that it shares the responsibility for safety management between both shore bound ship owners and managers and the ships crew. This represents a major improvement in safety regulation and should result in a significant improvement in ship safety standards worldwide.

4.5 For too long operators of substandard shipping have gone about their trade quietly and largely unnoticed. The publishing of port state control information has increased the risk of operating a sub standard ship as it trains the spotlight of public scrutiny on those who own and manage and benefit from them.

4.6 The adoption of the ISM code as a chapter of the SOLAS convention means that the requirements of the code will become mandatory. Classification societies will have to take the code's requirements into account when issuing classification certificates. This will make it more difficult for the sub standard operators to get ships classed. Without proper classification insurance is unlikely to be provided, thus increasing the financial risks for substandard operators.

4.7 In these circumstances it is especially important that the requirement for proof of insurance be introduced to reduce the temptation for substandard operators to trade uninsured ships.

4.8 Class societies are under scrutiny from several sources. IACS itself is implementing new schemes, the IMO is auditing the new IACS quality system and the Flag State Implementation committee is developing standards for classification societies which act on behalf of flag states.

4.9 Flag states are under scrutiny from the FSI committee initiatives to improve flag state compliance with convention requirements. Also, hopefully, the review of the STCW convention will result in flag states reviewing the training of mariners and the issuing of certificates.

4.10 With the amount of information available charterers and cargo owners no longer have an excuse for hiring sub standard ships. With the ready availability of port state control information responsible charterers and cargo owners will be able to identify and avoid using substandard ships.

4.11 Where they do hire sub standard ships, charterers and cargo owners, will be subject to public exposure as more and more port state control information is published.

4.12 The combined effect of these management and regulatory improvements will, the committee believes, ensure over time that sub standard shipping does not exist in international shipping.

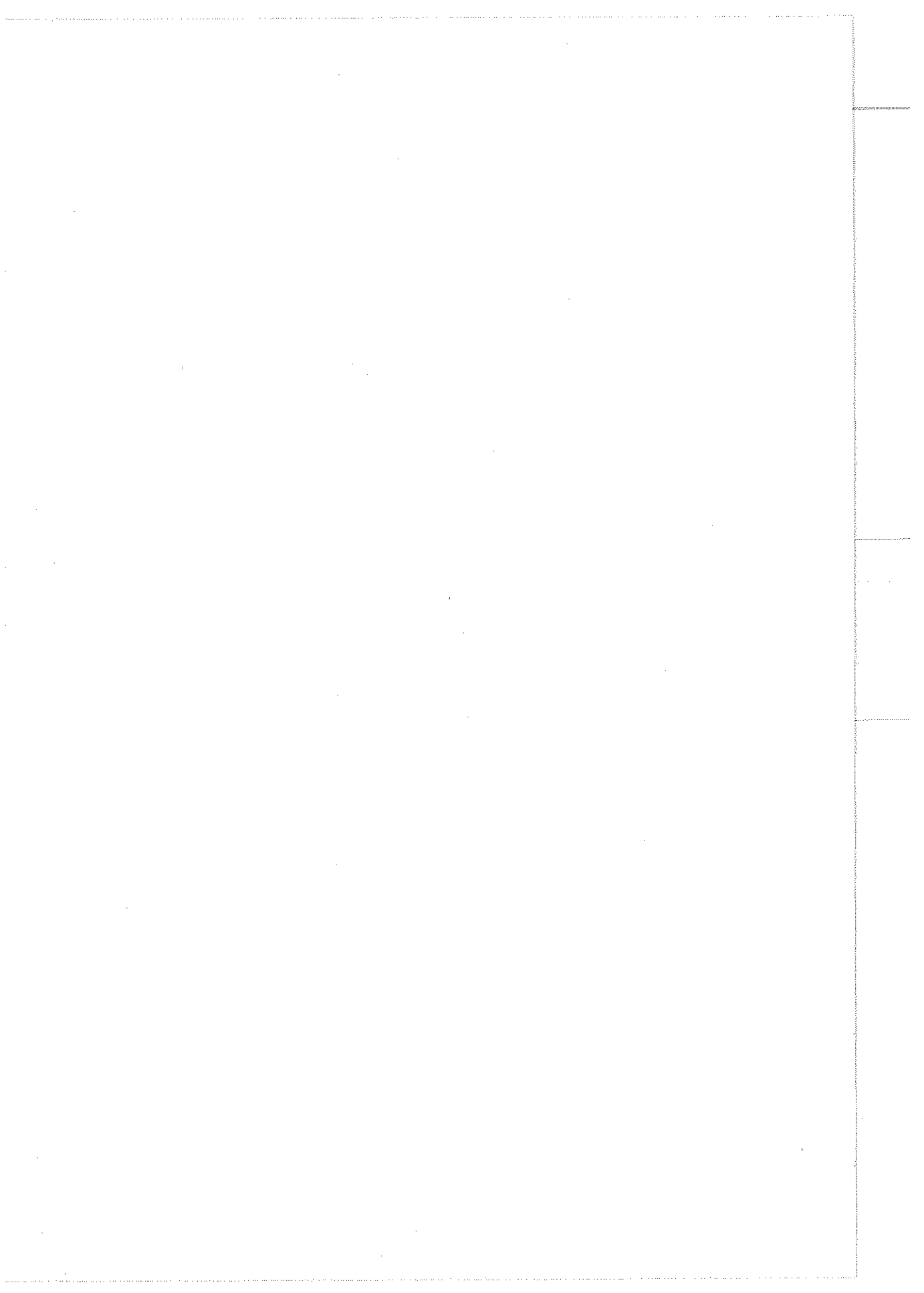
4.13 The committee in its final report to Parliament in 1995 will assess the effectiveness of the current and proposed initiatives currently under consideration.

## REFERENCE LIST

Donaldson (1994), Safer Ships, Cleaner Seas, HMSO, London.

Australian Maritime safety authority, (1994), Port State Control 1993, AGPS, Canberra.

House of Representatives Standing Committee on Transport, Communications and Infrastructure, (1992), Ships of Shame, AGPS, Canberra.



## APPENDIX 1

### CONDUCT OF THE INQUIRY, EVIDENCE AND WITNESSES

#### The inquiry

1. The House of Representatives Standing Committee on Transport, Communications and Infrastructure was appointed under Standing Order 28B on 8 May 1990. The committee is empowered to inquire into and report on any matter referred to it by either the House or the Minister.
2. On 1 November 1993 the committee received a reference from the then Minister for Transport and Communications the Hon Bob Collins, to conduct a review inquiry into ship safety. The inquiry was advertised in the Daily Commercial News on Friday 15 April 1994.
3. The committee appointed a subcommittee comprising the Hon P F Morris (Chairman), Mr G Campbell, Mr E Cameron and Mr C Hollis to inquire into and report on the reference.

#### Public hearings

4. The subcommittee held two public hearings. The Australian Maritime Safety Authority appeared at one and international organisations appeared at the other. The following witnesses appeared:

#### ORGANISATION/WITNESSES

#### DATE OF APPEARANCE

Australian Maritime Safety  
Authority

Mr Paul McGrath  
Chief Executive

23 March 1994

Mr Patrick Quirk  
General Manager  
Ship and Personnel Safety  
Services

23 March 1994

**ORGANISATION/WITNESSES****DATE OF APPEARANCE**

Mr Trevor Rose  
Chief Marine Surveyor  
and Manager Survey Operations

23 March 1994

**Lloyds Register of Shipping**

Mr John Garry Beaumont  
Executive Director and  
Chief Ship Surveyor

27 September 1994

**International Association of  
Classification Societies**

Mr James Donald Bell  
Permanent Secretary

27 September 1994

**Intercargo**

Mr Spyridon Polemis  
Chairman

27 September 1994

Dr Frank Sze-Bang Chao  
Immediate Past Chairman

27 September 1994

Mr Bruce Farthing  
Consultant Director

27 September 1994

**International Chamber of Shipping**

Mr John Christopher Stephenson Horrocks  
Secretary-General  
and Director International  
Shipping Federation

27 September 1994



**ORGANISATION/WITNESSES****DATE OF APPEARANCE****International Chamber of Shipping**

Mr Juan Herbert Kelly  
Chairman  
and President  
International Shipping Federation

27 September 1994

**Institute of London Underwriters**

Mr Anthony Stuart Nunn  
Government and International  
Affairs Adviser

27 September 1994

**The Ugland Group**

Mr Andreas K.L. Ugland  
Former Chairman—Intertanko

27 September 1994

4.13.1 The sub-committee held two forums at which the following organisations and representatives participated:

**PARTICIPANTS: 26 May 1994**

Mr David Anderson  
Assistant Secretary  
National Shipping and Infrastructure Branch  
Maritime Policy Division  
Department of Transport

Mr Paul Beale  
Operations Manager  
Port Kembla Coal Terminal

Mr George Benz  
General Manager  
Hamersley Iron Pty Ltd

**PARTICIPANTS: 26 May 1994**

Mr Andrew Black  
Chief General Manager, Underwriting  
Marine and Aviation Management Services

Mr Bill Bolitho  
Chairman  
ANL Ltd

Mr Mark Bradbury  
Manager, Commercial  
Australian Chamber of Shipping

Mr Neil Chambers  
Executive Officer, Policy Development  
Australian Ship Owners Association

Mr Roger Chapman  
Australian ITF Coordinator  
Maritime Union of Australia and  
International Transport Workers Federation

Mr John Clarebrough  
Manager, International Chartering, Dry Bulk and Steel  
BHP Transport

Captain James Cochrane  
Australian Chamber of Shipping

Mr Bernard Dirikis  
Manager and Principal Consultant, Shipping  
CRA Ltd

Captain Jeffrey Fair  
Company of Master Mariners of Australia

Captain Christopher Filor  
Inspector of Marine Accidents  
Marine Incident Investigation Unit  
Department of Transport

## **PARTICIPANTS: 26 May 1994**

Mr Rob Gehling  
Acting Manager, IMO Relations  
Australian Maritime Safety Authority

Mr George Gibney  
Insurance Manager  
ANL Ltd

Mr Roderick Haigh  
Associate Director  
Australian Maritime College

Mr Robert Hartley  
Manager, Maritime Policy  
Australian Ship Owners Association

Mr Robert Hutchinson  
Chairman  
National Bulk Commodities Group

Captain Alan Irons  
Immediate Past Federal Master  
Company of Master Mariners of Australia

Mr Ron Knapp  
Acting Executive Director  
Australian Mining Industry Council

Mr Ralph Larbey  
Principal Chartering Officer, Capesize and Panamax Group  
BHP Transport

Mr Frank Le Clercq  
Survey Manager, NSW  
Australian Maritime Safety Authority

Mr Paul McGrath  
Chief Executive  
Australian Maritime Safety Authority

**PARTICIPANTS: 26 May 1994**

Mr Keith Murray  
Fellow  
Institute of Marine Engineers (Sydney Branch)

Mr Rodney Paterson  
I.T.F. Inspector (Port Kembla)  
Maritime Union of Australia and  
International Transport Workers Federation

Mr Laurence Prandolini  
Honorary Secretary  
Institute of Marine Engineers (Sydney Branch)

Mr Peter Quirk  
Shipbroker  
Austral Chartering Pty Ltd  
(on behalf of CSR and the Queensland Sugar Corporation)

Mr Patrick Quirk  
General Manager, Ship and Personnel Safety Services  
Australian Maritime Safety Authority

Mr Stuart Ridland  
Senior Principal Surveyor  
Lloyd's Register of Shipping

Mr Glenn Rorke  
Director  
Austral Chartering Pty Ltd  
(on behalf of CSR and the Queensland Sugar Corporation)

Mr Trevor Rose  
Manager, Survey Operations  
Australian Maritime Safety Authority

Mr Jac Van Dijk  
Shipping Manager  
Boral Gas Ltd

## **PARTICIPANTS: 26 May 1994**

**Mr Greg Waters**  
Executive Officer, Policy Development  
BHP Transport

**Mr William Watson**  
Consultant  
Minister for Transport

**Mr Richard Lester Wright**  
President  
Australasian Institute of Marine Surveyors

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Australian Mining Industry Council

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BHP Transport

Mr William Watson  
Consultant  
Minister for Transport



**PARTICIPANTS: 27 May 1994**

Mr Richard Wright  
President  
Australasian Institute of Marine Surveyors

**Evidence**

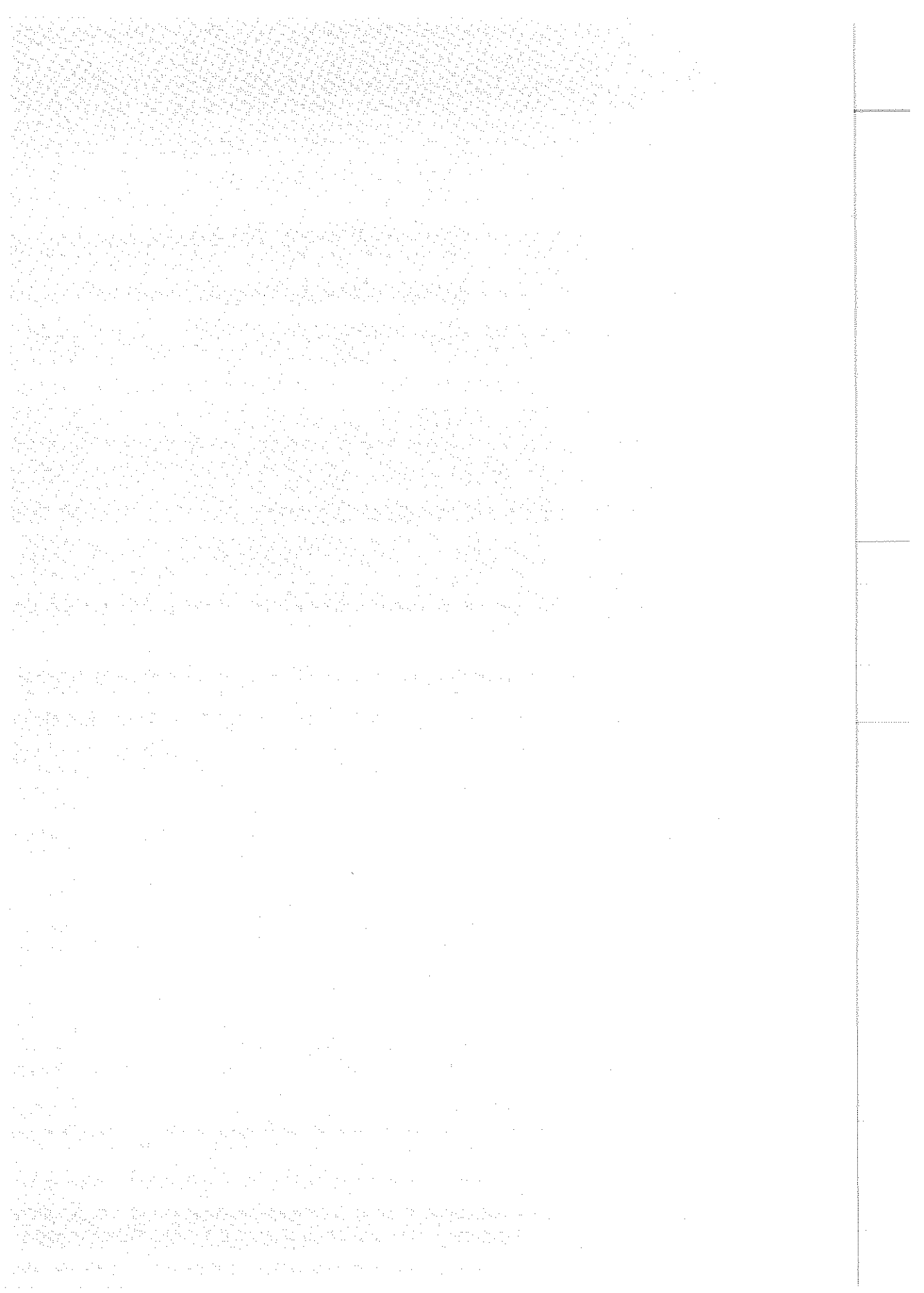
5. The committee received 27 submissions. The written submissions which have been authorised for publication along with the oral evidence taken at the forums will be bound and copies sent to the National Library and Parliamentary Library. A set will be retained in the committee office.

6. The submissions authorised for publication are as follows:

| NO | ORGANISATION/PERSON                                |
|----|--|
| 1  | UK P&I Club  |
| 2  | BP Oil   |
| 3  | Jebsens International<br>(Australia) Pty Ltd       |
| 4  | Fremantle Port Authority                           |
| 5  | Mr J Chapman                                       |
| 6  | Queensland Sugar Corporation                       |
| 7  | The Company of Master Mariners<br>of Australia Ltd |
| 8  | International Chamber of Shipping                  |
| 9  | Australian National Maritime<br>Association        |
| 10 | Maritime Consultants (Singapore) Pte<br>Ltd        |

| NO | ORGANISATION/PERSON  |
|----|--|
| 11 | The Company of Master Mariners                                       |
| 12 | International Chamber of Shipping                                    |
| 13 | UK P&I Club  |
| 14 | Associated Marine Insurers Agents<br>Pty Ltd                         |
| 15 | Australian Institute of Marine<br>and Power Engineers                |
| 16 | Shell Australia  |
| 17 | Australian Institute of Marine<br>Surveyors                          |
| 18 | International Chamber of Shipping                                    |
| 19 | International Association of Dry<br>Cargo<br>Shipowners (INTERCARGO) |
| 20 | Germanischer Lloyd (Australia) Pty<br>Ltd                            |
| 21 | The Company of Master Mariners of<br>Aust Ltd                        |
| 22 | John Chapman   |
| 23 | The Company of Master Mariners of<br>Aust Ltd                        |
| 24 | Australian Maritime Safety Authority                                 |
| 25 | Department of Transport  |


| NO | ORGANISATION/PERSON                          |
|----|--|
| 26 | Jebsens International (Australia) Pty<br>Ltd |
| 27 | Maritime Consultants (Singapore) Pte<br>Ltd  |



THE HON. PETER MORRIS  
CHAIRMAN

- 4 AUG 1993

The Hon Peter Morris, MP  
Chairman  
House of Representatives Standing  
Committee on Transport, Communications  
and Infrastructure  
Parliament House  
CANBERRA ACT 2600

Dear  Mr Morris

The Government's response to the Committee's report, 'Ships of Shame: Inquiry into Ship Safety' has been completed and attached is an advance copy. It supports the Committee's findings and endorses the overall thrust of its recommendations.

I intend to arrange for its tabling in Parliament at an early opportunity in the Budget sittings and will ask my staff to ensure this is co-ordinated with your office.

The report has been highly successful in focusing attention on the vital issue of ship safety. It has deservedly received praise in Australia and overseas for its clear exposure of the major issues.

A strong basis is provided for action at the national and international level to eradicate the abuse of human rights, threat to seafarers' lives and environmental hazards associated with substandard shipping.

I look forward to continuing to work with you and other members of the Committee in pursuing these concerns.

Yours sincerely

  
(Bob Collins)

MINISTER FOR TRANSPORT AND COMMUNICATIONS

INQUIRY INTO SHIP SAFETY

"SHIPS OF SHAME"

GOVERNMENT RESPONSE TO  
A REPORT OF THE HOUSE OF REPRESENTATIVES STANDING  
COMMITTEE ON TRANSPORT, COMMUNICATIONS AND  
INFRASTRUCTURE

Senator the Hon Bob Collins

August 1993

## INTRODUCTION

There has been growing concern in recent years over the operation of, and risks posed by, sub-standard ships. This concern arises from the loss of life, the potential damage to the environment from marine incidents and financial costs associated with the loss of ships and cargo.

The Government welcomes the Committee's report which provides a comprehensive assessment of the problem and makes a range of recommendations aimed at addressing it.

The Committee's recommendations are aimed at improving ship safety at the domestic and international level by

- . focusing on improving the effectiveness of the International Maritime Organization (IMO) and Australia's participation in it
- . enhancing Australia's port state control system (ie the system of vetting the safety standards of foreign ships visiting Australian ports)
- . addressing the employment conditions and training of ships' crews, and
- . ensuring appropriate marine incident investigation processes are in place.

The approach taken in the Committee's recommendations generally accords with the Government's belief that Australia can play an active role in addressing the problem of substandard shipping. At the international level it can be proactive in encouraging and facilitating international responses to the problem. At the domestic level it can ensure that the port state control system in Australia is appropriately targeted and a rigorous ship inspection regime is in place consistent with internationally agreed arrangements.

The measures recommended in the report are also consistent with the basic provisions of international law whereby primary responsibility for ship safety rests with the owner of the vessel and the flag state (that is the country where the ship is registered).

Implementation of many of the Government's decisions on the Committee's recommendations will be a matter for the Australian Maritime Safety Authority (AMSA). Since its inception in 1991, the Authority has taken a pro-active approach to ship safety issues and has taken a number of relevant initiatives including most recently the establishment of an interim secretariat for a regional port state control system in the Asia-Pacific area.

As a small shipowning nation, highly dependent upon access to cost efficient shipping services for the transport of its exports, Australia is not in a position to take a unilateral approach to the question of sub-standard shipping. It can however play an effective role as a concerned member of the international community in bringing pressure to bear to resolve the problems sub-standard shipping present.

The Government is committed to Australia performing such a role within the international community and the measures that the Government will put in train in response to the Committee's Report are a clear signal of our commitment to action on this important issue.



## RESPONSES TO RECOMMENDATIONS

### THE INTERNATIONAL MARITIME ORGANIZATION

#### Recommendation 1

- a) Australia's representation at the International Maritime Organization be strengthened by the inclusion of industry and trade union delegates with relevant experience.
- b) The Australian Maritime Safety Authority meet the cost of the increased industry and trade union representation.
- c) The Australian Maritime Safety Authority consult with industry on the merit of appointing a permanent delegate to the International Maritime Organization.

#### Response

- a) Accepted. As a general principle the Government welcomes the participation of industry and trade union representatives in Australian delegations to international forums where they are in a position to contribute effectively to the deliberations. Industry and unions are already closely consulted in developing the Australian position on issues under discussion in IMO and industry representatives frequently attend IMO as part of delegations to the principal technical committees and sub-committees.
- b) The Government's established policy is that funding of attendance of industry representatives at international meetings is the responsibility of organisations concerned. The only exception to this policy relates to payment by the Government for attendance by representatives of the Australian Council of Trade Unions and the Australian Chamber of Commerce and Industry at annual meetings of the International Labour Conference. This exception reflects requirements of the Constitution of the International Labor Organisation and its unique tripartite structure. These considerations do not apply in the case of the IMO.

- c) Accepted. AMSA will consult with industry on this proposal with the overall aim of ensuring that effectiveness of Australia's representation and participation in the work of IMO is maximised.

#### Recommendation 2

The Secretary General of the IMO be authorised to initiate action in relation to matters of significance which arise between Council meetings at the request of a member State.

#### Response

The recommendation raises delicate issues concerning the role of UN Secretariats and their procedures. The implications extend beyond that of the IMO alone. The Government is concerned that IMO should be in a position where it is able to respond quickly and effectively to emerging issues. The Government will pursue this question as appropriate with other Governments who share our concern to see the IMO operate at maximum effectiveness.

#### Recommendation 3

The Australian Government participate in and actively support at the International Maritime Organization the following:

- a) That the Maritime Safety Committee urgently complete its inquiry into flag state compliance.
- b) That appropriate operating criteria for classification societies be devised and that only certificates from classification societies, including when a classification society acts as an agent for a flag state, which comply with those criteria be recognised as valid internationally.

- c) That IMO approve a "seal of approval" to those classification societies meeting its set criteria.
- d) That an IMO representative participate in the International Association of Classification Societies Quality System Certification Scheme audit team.

#### Response

Accepted. The Committee's recommendations in this area are currently under discussion in the IMO and the Government will give active support to resolution by IMO of these issues as a matter of priority. To this end Australia will be represented at all relevant meetings of the groups examining these issues, and in particular at meetings of the Maritime Safety Committee, and the new Sub-Committee on Flag State Implementation.

#### PORT STATE CONTROL INSPECTIONS

##### Recommendation 4

- a) The Australian Maritime Safety Authority have access to sufficient funds to increase the rate and effectiveness of Port State Control inspections to the level where it ceases to be viable for substandard shipping to call at Australian ports.
- b) The Australian Maritime Safety Authority not be required to pay a dividend to Government and that these funds be used to improve the effectiveness of the port state control function.
- c) The Australian Maritime Safety Authority impose a penalty surcharge on substandard shipping to fund the increased level of operations generated by these vessels.

## Response

- a) AMSA's port state control program is among a range of functions funded from the proceeds of the Safety Regulatory Levy. AMSA has advised that the level of funding available from the Levy in 1993/94 will allow it to intensify its efforts in this area and ensure the operation of an effective and efficient port state control program. Operational procedures are being examined to ensure that program objectives for port state control are achieved and provide an effective deterrent to charterers and other interests who may, innocently or otherwise, engage substandard ships for trades involving calls at Australian ports.
- b) The concept of a dividend payment to the Commonwealth is basic to the Government's philosophy of operating its Business Enterprises. The dividend is not a hindrance to AMSA funding core activities such as ensuring an acceptable level of ship safety. It has the added valuable benefit of signalling to staff the cultural change associated with the evolution from a department of state to a business enterprise.
- c) AMSA's fees are based on the principle of full cost recovery, and relate to the cost of providing the service. The Government is not convinced that a punitive levy is necessary to supplement the existing powerful deterrent associated with the cost of delays to a ship, whilst it undergoes mandatory repairs to bring it up to an acceptable standard.

## Recommendation 5

- a) The Australian Maritime Safety Authority publish each month the results of its port state control inspections at each port.
- b) This publication should include, the name of the ship on which defects are found, the nature of the defects, the beneficial owner, the manager of the ship, classification

society, flag state, the dates of the latest port state control and special survey inspections, type of charter, type of cargo, charterers and the relevant AMSA surveyor's name.

- c) The Australian Maritime Safety Authority ensure that information is made available promptly to parties as specified in existing Marine Orders.

#### Response

a&b) Accepted. Monthly reports on AMSA's ship inspections are already provided to a number of interested parties within the industry. This reporting system will be extended to cover additional elements recommended by the Committee, taking into account practicability and privacy considerations. The Government believes it would be inappropriate to identify in such a publication the names of individual AMSA officers conducting port state control inspections those officers perform their functions as delegates of the Authority.

- c) Accepted. AMSA has reviewed its procedures to ensure that information relating to inspections is made available to interested parties as specified under Marine Orders as expeditiously as possible.

#### Recommendation 6

- (a) It be mandatory for dry bulk carriers entering Australian ports to carry a Survey History File consisting of all documents relating to a ship's structure which contains a history of port state control inspections, structural inspections and repairs or alterations.
- (b) The Survey History File should be available to both port state control and classification society surveyors.

- (c) Full information on the commercial chain from the beneficial owner to the cargo owner should be available to AMSA so that responsibility for pollution damage can be readily determined.

#### Response

- a) Accepted. The International Convention for the Prevention of Pollution from Ships (MARPOL Convention) requires that a survey history file be carried by tankers from mid-1995. IMO is well advanced in developing parallel recommendations that would require its carriage on dry bulk carriers. The latter requirement is likely to enter into force internationally in 1996. AMSA is giving support in IMO to the earliest practicable implementation of this requirement.

If international action on this issue appears not to be effective, the Government will ask AMSA to review the desirability of unilateral implementation in consultation with industry. There are a number of options for such action, including making carriage of a survey history file a condition of port entry and other appropriate sanctions. These require discussion with industry and within Government on possible supporting legislative arrangements.

- b) Accepted. The basis of discussion of this issue within IMO is that the survey information is to be carried so that it is available to port state and classification surveyors. AMSA has been asked to do all that it can to ensure this outcome is achieved.
- c) Accepted in principle. The information required is available through a variety of sources including the ship's agent, Lloyd's Intelligence, the International Salvage Union, and the Government of the flag state. It is believed that it would be impracticable to require full information on ownership of cargo prior to a ship arriving

in Australian waters. In addition, there would be a very substantial collation task which would only be useful if a pollution incident occurred. To date, there have not been any problems in obtaining the required information after an incident has occurred.

#### Recommendation 7

- a) The International Maritime Organization establish an international accreditation system for crew training and subsequent issuing of qualification certificates.
- b) AMSA obtain samples of crew qualification certificates from each flag state to assist in determining the authenticity of documents sighted by AMSA surveyors.

#### Response

- a) Given the nature of the convention under which it operates, the IMO is not considered an appropriate body to perform functions such as the accreditation of training and the issue of certificates under the International Convention on the Training and Certification of Watchkeepers (STCW). Such activities are a function of the contracting States. National sensitivities are unlikely to permit any supra-national bodies to take over these national functions. The issue was raised at the first session of the IMO Sub-Committee on Flag State Implementation in April 1993 to determine other countries' views and hence possible avenues for addressing the issue. The Australian delegation was successful in having the issue placed firmly on the agenda of the relevant technical sub-committee. It is now being pursued in connection with the review of the STCW Convention.

In addition there are a number of ILO Conventions and Recommendations dealing with the training and accreditation of ships crews which are relevant to the issue of an international accreditation scheme. The question of pursuing these issues within relevant ILO forums will therefore also be examined.

- (b) Accepted. AMSA has already taken steps to put this recommendation into effect.

#### Recommendation 8

The Australian Maritime Safety Authority, in conjunction with the Australian Maritime College, establish training courses and assessment criteria which will improve the consistency of inspection outcomes by ship surveyors.

#### Response

Accepted. A surveyor training package which will meet these objectives has been developed jointly by AMSA and the Australian Maritime College under contract to AMSA. The first course commenced in July 1993.

#### SHIP MANAGEMENT

#### Recommendation 9

All international shipping organisations adopt IMO Resolution A647(16) as the base standard of operation for all members.

#### Response

Accepted in Principle. The International Safety Management Code is likely to be adopted by a resolution of the IMO Assembly in 1993. This resolution will supersede Resolution A647(16). The new resolution is likely to endorse the concept of mandatory implementation according to a timetable which would see implementation of the Code for passenger ships by 1998, for tanker, gas carrier and similar ships by 2000 and for all ships covered by the SOLAS Convention by 2002.



The Government believes that a faster rate of progress in implementation internationally would be desirable; however, it recognises that this is likely to be difficult to achieve. AMSA is working with the Australian shipping industry to bring the Code into effect for Australian ships on a voluntary basis at a much earlier date.

#### CREWING

#### Recommendation 10

- a) The Federal Government examine means by which the level of Australian assistance to Asian and Pacific neighbours relating to crew training can be extended.
- b) The Australian Maritime College explore opportunities to raise its profile as a maritime training institution to attract increased numbers of international students to the College and associated port based Technical and Further Education Colleges.

#### Response

- a) The provision of seed funds by the Commonwealth Government in 1991/92 enabled the Asia Pacific Maritime Centre at the Australian Maritime College to serve as the focus for the College's maritime education, training and applied research initiatives and activities in the Asia Pacific region.

The Centre's activities have already strengthened Australia's reputation in the region as a maritime nation which insists on high standards in all aspects of maritime safety and the protection of the maritime environment and which can provide the high level maritime expertise to developing countries in the region.

The Government, through its overseas aid program has supported over the years maritime training in a range of countries. Current assistance includes programs of training and the provision of infrastructure for the Pacific maritime schools in Kiribati, Tuvalu and Fiji.

Scholarships are also provided under the Sponsored Training Program for training at the Australian Maritime College. In 1993 there are 25 aid funded students from 10 Asia-Pacific countries undertaking various courses at the AMC.

The Government is willing to consider further aid program support for maritime-related training should this be identified as a priority in the strategies for Australian aid agreed by the recipient governments and by Australia.

- b) The Government encourages the Australian Maritime College to explore opportunities to diversify its sources of funding with the object of attracting an increased flow of international students and thus enhancing its activities, particularly those of relevance to the Asia Pacific region.

#### **Recommendation 11**

The Federal Government deny entry to ships which do not meet ILO 147 standards in relation to crew employment conditions from trading in Australian waters.

#### **Response**

It is not feasible to assess whether a ship complies with ILO 147 standards prior to inspection, which can only be carried out in port. The present system which provides for detention of non-compliant ships until deficiencies are rectified is therefore considered the most appropriate approach to ensuring that conditions on board ships are not hazardous to safety and/or the health of their crews.

#### **MARKET INFORMATION**

#### **Recommendation 12**

- a) The Australian Maritime Safety Authority establish a comprehensive ship information data base.
- b) The data base be made available to any party with a valid interest in ship safety.

- c) The IMO establish a comprehensive international ship information data base which is available to any party with a valid interest in ship safety.

Response

- a&b) Accepted. AMSA maintains a comprehensive data base relating to Australian flag ships. A separate database has been established to record the results of its port state control program dealing with foreign flag ships visiting Australian ports. All this data is available to interested parties in a manner consistent with privacy and freedom of information legislation.

The latter database does not include detailed survey information or details of the nationality of ships' masters and crew. The extension of the database to details of ship crew nationality is considered impractical given the frequency of possible changes in officers and crew. Detailed survey information is maintained by classification societies and is available to flag state, and port state administrations on an as required basis. Given the international requirements pending for the carriage of survey information by tankers and dry bulk carriers (see Recommendation 6) it is not considered that incorporation of this material on a database is necessary or cost effective.

- c) Accepted. The IMO has a considerable database of casualty information and is consulting various interests with a view to establishing a database relevant to addressing flag state implementation issues. The Government will continue to support this work.

### Recommendation 13

The Australian Government require proof of possession of adequate Protection and Indemnity insurance to cover as a prior condition of entry of any foreign vessel into Australian ports.

### Response

The Government believes it would be inappropriate for Australia to act unilaterally to implement a regime requiring proof of possession of Protection and Indemnity cover for all foreign ships entering Australian ports.

It should be noted that oil tankers plying to Australia already carry compulsory insurance and evidence of cover. This a requirement of the *Protection of the Sea (Civil Liability) Act 1981*, which applies the 1969 International Convention on Civil Liability for Oil Pollution Damage.

The feasibility of an appropriate international regime in relation to all ships will, however, be explored with key countries and industry groups overseas as well as with Australian industry.

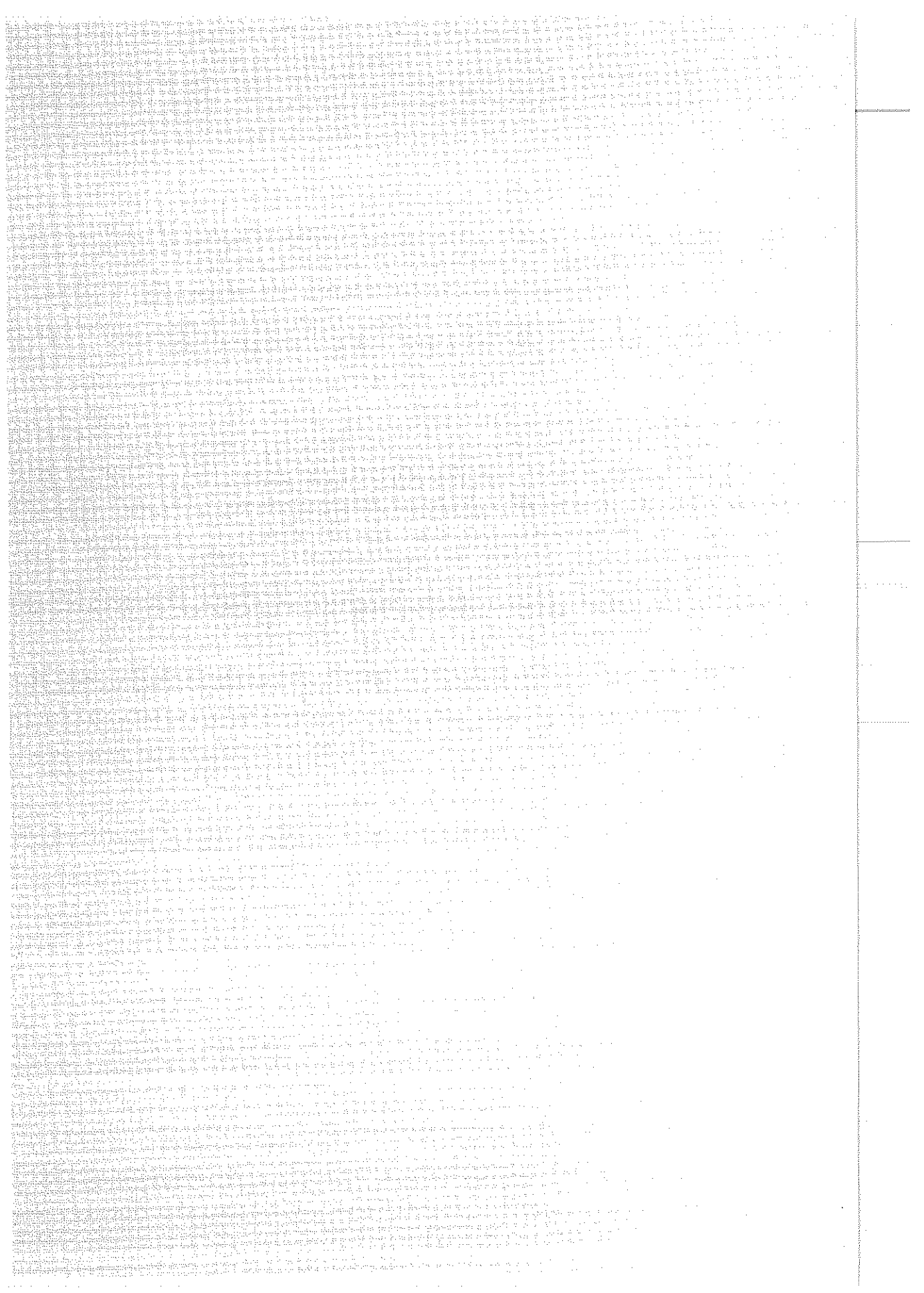
### MARINE ACCIDENT INVESTIGATION

### Recommendation 14

- a) The Minister for Shipping and Aviation Support initiate an independent review of the structure and operating procedures of the Marine Incident Investigation Unit with a view to improving the breadth and consistency of its investigations and reports.
- b) The conclusions of the Marine Incident Investigation Unit investigations into marine incidents be more widely publicised throughout the shipping industry, including through industry and employee association publications similar to the practice followed by the Bureau of Air Safety Investigation.

Response

- a) A Departmental review of the structure, staffing and funding of the Marine Incident Investigation Unit has recently been completed and steps to enhance the capability of the unit are currently being taken. These include an increase in the investigation staff and a widening of the expertise base available within the unit, and the development of a marine incident data base as an important analysis tool.
- b) Accepted. Investigation reports are already widely distributed to ship owners, training establishments, employee and professional organisations and other interested parties. In all, the reports are currently available to between 1800 and 2000 people in the shipping industry. Ways of further expanding the distribution of investigation reports and their findings are being examined.





# SHIP DETENTION LIST

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Port State control continues to be a key element in maintaining a safe international marine transport industry. Despite the extensive political and public debate concerning maritime safety, some sections of industry continue to jeopardise life, property and the environment by operating unsafe ships and using less competent crews.

The Australian Maritime Safety Authority (AMSA) conducts an extensive port State control program in an open, objective and accountable manner. As part of that accountability process AMSA publishes on a monthly basis details of vessels that were detained in Australian ports following inspections by AMSA surveyors. These inspections are undertaken in line with the authority contained within the IMO conventions on ship safety and pollution control as well as the provisions noted within the Australian Navigation Act and Marine Orders.

In October 1994, 13 vessels were detained following port State control inspections and details are attached. For the calendar year to October 27 a total of 123 ships have been detained.

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**Published by:**

Ship & Personnel Safety Services  
Australian Maritime Safety Authority

**Further Information:**

Ship & Personnel Safety Services  
Phone: (06) 279 5944  
Fax: (06) 279 5966

# AMSA PORT STATE CONTROL SHIP DETENTIONS OCTOBER 1994

|                           |   |
|---------------------------|---|
| SHIP NAME                 | STAINLESS MAYA  |
| IMO NUMBER                | 8419049   |
| CLASS SOCIETY             | DET NORSKE VERITAS  |
| FLAG                      | PANAMA  |
| CARGO TYPE                | BULK CHEMICAL   |
| OWNERS                    | ARMADA MARITIME SA  |
| MANAGER                   | ADRIATIC TANKERS SHIPPING CO  |
| CHARTERER                 | BOTANY BAY TANKERS  |
| CHARTER TYPE              | TIME  |
| PORT & DATE OF INSPECTION | MELBOURNE , 29/09/94  |
| LAST PSC INSPECTION       | SYDNEY , 24/11/93   |
| LAST SPECIAL SURVEY       | 09/07/92  |
| SERIOUS DEFICIENCIES      | Emergency fire pump inoperable and main propulsion engine cannot be started |
| ACTION                    | Vessel released on 03/10/94 upon rectification of the defects               |

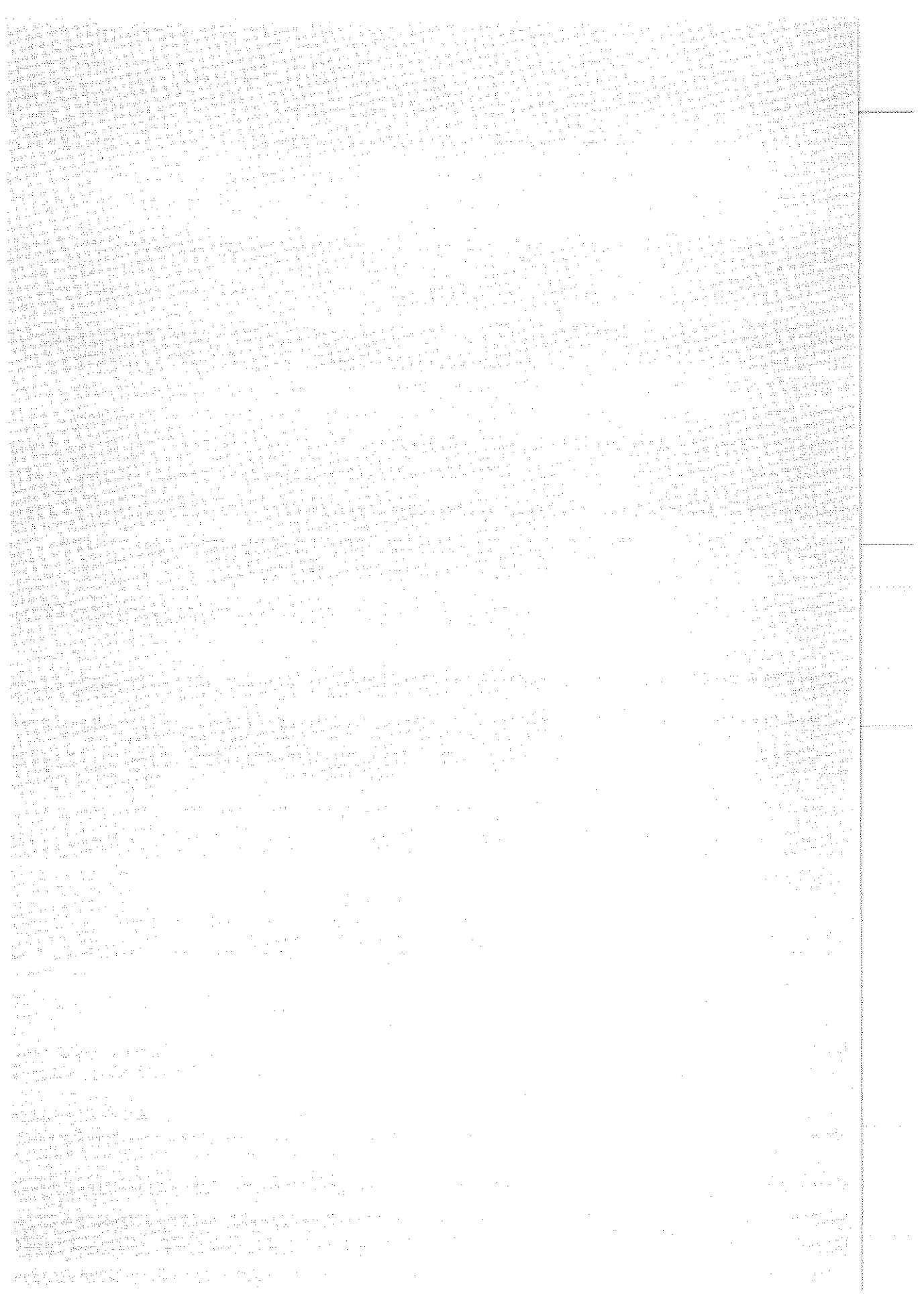
|                           |  |
|---------------------------|--|
| SHIP NAME                 | PENG YANG  |
| IMO NUMBER                | 7235848  |
| CLASS SOCIETY             | CHINA CLASSIFICATION SOCIETY   |
| FLAG                      | PEOPLE'S REPUBLIC OF CHINA   |
| CARGO TYPE                | BULK CARGO   |
| OWNERS                    | SHENZHEN MARINE CO   |
| MANAGER                   | -  |
| CHARTERER                 | -  |
| CHARTER TYPE              | -  |
| PORT & DATE OF INSPECTION | PORT HEDLAND, 29/09/94   |
| LAST PSC INSPECTION       | PORT HEDLAND, 20/02/94   |
| LAST SPECIAL SURVEY       | DATE NOT AVAILABLE   |
| SERIOUS DEFICIENCIES      | Cargo hatch covers corroded and holed<br>Cargo hatch covers not water tight<br>Transverse bulkhead between # 1 and # 2 starboard top side water ballast tank corroded and holed<br>Various fire hoses and hydrants missing/damaged<br>Engine room skylight unable to close |
| ACTION                    | Repair carried out to AMSA's satisfaction. Vessel sailed for Liang Yong Gong (PRC) with the following outstanding deficiency "watertight integrity of cargo hatch covers being tested at next port". Chinese Authority was advised.  |



# AMSA PORT STATE CONTROL SHIP DETENTIONS OCTOBER 1994

|                           |  |
|---------------------------|--|
| SHIP NAME                 | BARBOSI  |
| IMO NUMBER                | 9015589  |
| CLASS SOCIETY             | LLOYD'S REGISTER   |
| FLAG                      | LIBERIA  |
| CARGO TYPE                | IRON ORE   |
| OWNERS                    | TORVALD KLAIVENESS GROUP   |
| MANAGER                   | NOBLE CHARTERING   |
| CHARTERER                 | NOBLE CHARTERING   |
| CHARTER TYPE              | TIME   |
| PORT & DATE OF INSPECTION | DAMPIER, 08/10/94  |
| LAST PSC INSPECTION       | DALRYMPLE BAY, 26/12/93  |
| LAST SPECIAL SURVEY       | 28/01/91   |
| SERIOUS DEFICIENCIES      | Emergency fire pump not operational<br>Lifeboat release mechanism frozen                       |
| ACTION                    | Repairs carried out to AMSA's satisfaction and vessel released on 09/10/94. There was no delay |

|                           |   |
|---------------------------|---|
| SHIP NAME                 | BI HUA SHAN   |
| IMO NUMBER                | 8848018   |
| CLASS SOCIETY             | CHINA CLASSIFICATION SOCIETY  |
| FLAG                      | PEOPLE'S REPUBLIC OF CHINA  |
| CARGO TYPE                | IRON ORE  |
| OWNERS                    | GUANGZHOU MARITIME TRANSPORT BUREAU CHINA   |
| MANAGER                   | GUANGZHOU MARITIME TRANSPORT BUREAU CHINA   |
| CHARTERER                 | ECKOXA CO, LTD. HONG KONG   |
| CHARTER TYPE              | TIME  |
| PORT & DATE OF INSPECTION | PORT WALCOTT, 08/10/94  |
| LAST PSC INSPECTION       | PORT HEDLAND, 23/01/94  |
| LAST SPECIAL SURVEY       | 25/11/89  |
| SERIOUS DEFICIENCIES      | Starboard life boat<br>- winch brake defective<br>- hook release mechanism, wire snapped<br>- means of recovery not operational |
| ACTION                    | Upon rectification of deficiencies vessel released on 09/10/94. Vessel was delayed for 13 hours                                 |





## APPENDIX 4

### MINISTER FOR INDUSTRIAL RELATIONS

PARLIAMENT HOUSE  
CANBERRA A.C.T 2600

The Hon Peter Morris MP  
Chairman  
Standing Committee on Transport,  
Communications and Infrastructure  
Parliament House  
CANBERRA ACT 2600

12 MAY 1994

Dear Mr Morris

Thank you for your letter of 24 March 1994 requesting information on Australia's progress towards ratification of *ILO Convention No 147, Merchant Shipping (Minimum Standards)*, 1976 (ILO 147), with reference to Recommendation No 11 of the 1992 report on ship safety, "Ships of Shame".

Australia accords the ratification of ILO 147 high priority. However, the need to ensure compliance in law and practice, to obtain the agreement of the States, Territories and relevant federal authorities, and to consult with the ACTU and the ACCI are important steps in the ratification process.

It has not yet been established whether Australia complies with ILO 147. Consultations with the relevant federal authorities and the State and Territory Governments are continuing with a view to determining our position. For your information, I have attached a summary of Australia's position in relation to ILO 147. In brief, the principal obstacle is the need to establish substantial equivalence, in accordance with Article 2(a)(iii), with several of the provisions listed in the Appendix to ILO 147.

Following the completion of the above-mentioned consultations, and if it can be demonstrated that Australia substantially complies with these provisions, Australia will be in a position to consider ratification of ILO 147.

I note that paragraph 2.13 of the "Ships of Shame" report also states that "Legislation is currently before the Parliament for ratification of ILO Convention 147. The Committee believes that this process should be concluded as soon as possible." The legislation referred to (ILO Conventions Act No 220 of 1992) amended the Navigation Act to ensure compliance with *ILO Convention No 73, Medical Examination (Seafarers)*, 1946 and Article 5 of *ILO Convention No 68, Food and Catering (Ships' Crews)*, 1946, which are among the provisions included

in the Appendix to ILO 147. This action brought Australia closer to compliance with ILO 147, but did not ensure compliance with any of the social security Conventions, nor Articles 4 and 7 of *ILO Convention No 134, Prevention of Accidents (Seafarers), 1970*, which are also included in the Appendix to ILO 147.

I would like to take this opportunity to comment on your premise that ratification of ILO 147 and enforcement of its provisions would provide a basis to fight the "maltreatment and exploitation of crews on some ships calling at Australian ports". The relevant provision of ILO 147 is Article 4.1, which provides:

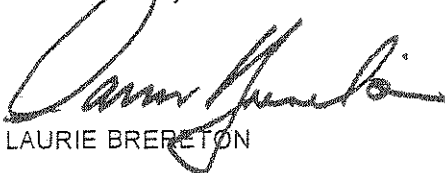
*"If a Member which has ratified this Convention and in whose port a ship calls in the normal course of its business or for operational reasons receives a complaint or obtains evidence that the ship does not conform to the standards of this Convention, after it has come into force, it may prepare a report addressed to the government of the country in which the ship is registered, with a copy to the Director-General of the International Labour Office, and may take measures necessary to rectify any conditions on board which are clearly hazardous to safety or health."*

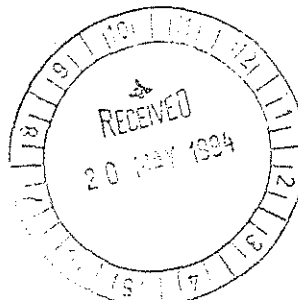
This provision is not mandatory. It does not require inspections to be carried out, nor are Member States required to take action in relation to complaints. If the Member State does decide to take action, it is limited to forwarding a report to the country of registration (with a copy to the ILO) and taking measures to rectify conditions clearly hazardous to safety or health.

In Australia, port state control inspections are carried out by the Australian Maritime Safety Authority (AMSA), which aims to ensure that vessels are seaworthy, do not pose a pollution risk and provide a healthy and safe working environment. These inspections do not assess the conditions of employment of the crew, such as hours of work and rates of pay. Even if they did, Australian action in accordance with ILO 147 would be limited to reporting to the government concerned, unless these types of conditions of employment could be said to be "clearly hazardous to safety or health".

Recommendation 11 of the "Ships of Shame" report suggests that the Government deny entry to ships which do not meet ILO 147 standards in relation to crew employment conditions. However, this is not a provision of ILO 147 itself, and while your aim is to alleviate the plight of some seafarers on foreign vessels, ratification of ILO 147 would not necessarily achieve this.

Yours sincerely

  
LAURIE BRERETON



## ILO CONVENTION 147, MERCHANT SHIPPING (MINIMUM STANDARDS), 1976

Provisions: Ratifying Members undertake to have laws or regulations which are substantially equivalent to 11 of the 15 ILO Conventions listed in the Appendix.

Article 4 allows Members, who receive complaints concerning conditions on board ships in its ports, to take rectifying measures in relation to conditions which are clearly hazardous to safety or health.

Action to Date: Australia has not yet ratified this Convention. It is usual practice to ratify an ILO Convention only when all jurisdictions (Commonwealth, State and Northern Territory) comply with its provisions.

However, ratification of ILO 147 is an important policy objective for Australia. Ratification has been endorsed by:

- the Conference of Commonwealth and State Labour Ministers (October 1984)
- the Commonwealth Task Force on ILO Maritime Conventions (1986)
- the tripartite National Labour Consultative Council (22.11.1987)
- the Commonwealth Interdepartmental Ratification Task Force (1991-1992).

Australian Position: South Australia has agreed to ratification. All jurisdictions seem to accept that they are in compliance with the substantive requirements of ILO 147.

However, in order to ratify ILO 147, Australia must demonstrate substantial equivalence with 11 of the 15 Conventions (or parts thereof) listed in its Appendix. In 1986, the Commonwealth Task Force on ILO Maritime Conventions concluded that while the words "substantially equivalent" do not require national laws or regulations to be identical in every respect, in the absence of a satisfactory objective test of the limitations that are permissible, Australia should ensure that full compliance can be demonstrated with the provisions listed in the Appendix to ILO 147.

The position in relation to the Conventions in the Appendix is as follows:

No 7, Minimum Age (Sea), 1920, or  
No 58, Minimum Age (Sea) (Revised), 1936, or  
No 138, Minimum Age, 1973

Australia has ratified both Conventions No 7 and No 58.

No 55, Shipowners' Liability (Sick and Injured Seamen), 1936, or  
No 56, Sickness Insurance (Sea), 1936, or  
No 130, Medical Care and Sickness Benefits, 1969

There are substantial areas of non-compliance with No 55, and the State and Territory Governments are unlikely to enact the necessary legislation to ensure compliance with No 55, due to the potentially significant costs involved.

There is no prospect of complying with respect No 56, as sickness benefits in Australia are provided through a non-contributory Commonwealth social security scheme, not an insurance scheme as required by the Convention.

Australia must therefore rely on No 130. Australia does not comply with No 130, which applies to the whole community. However, consideration has recently been given to complying with its provisions in relation to seafarers only, and there appears to be reasonable prospects for demonstrating substantial equivalence. DIR is awaiting confirmation of State and Territory compliance with aspects of the Convention concerning the provision of "dental care" and "medical rehabilitation, including the supply, maintenance and renewal of prosthetic and orthopaedic appliances", as prescribed.

#### **No 73, Medical Examination (Seafarers), 1946**

There do not appear to be any problems with Convention No 73, and ratification is awaiting certification of compliance by the Attorney-General's Department.

#### **No 134, Prevention of Accidents (Seafarers), 1970 [Art. 4 & 7]**

The Transport Department has recently been asked to confirm whether the new maritime occupational safety and health legislation enables compliance with these two Articles to be demonstrated in the Commonwealth jurisdiction. The Commonwealth believes that all States and Territories comply with these two Articles, although not all have confirmed their compliance. To date, Victoria, Western Australia and South Australia have done so.

#### **No 92, Accommodation of Crews (Revised), 1949**

Australia has ratified Convention No 92.

#### **No 68, Food and Catering (Ships' Crews), 1946 [Article 5]**

The Navigation Act was amended in 1992 to ensure Australia's compliance with Article 5. However, as Convention No 68 is not a suitable target for ratification by Australia, no further action will be taken.

#### **No 53, Officers' Competency Certificates, 1936 [Arts. 3 and 4]**

Australia complies with these two Articles of Convention No 53. All States and Territories, with the exception of NSW, have agreed to ratification of Convention No 53. While ratification is an objective, it cannot take place until NSW has appropriate legislation to ensure compliance.

#### **No 22, Seamen's Articles of Agreement, 1926**

Australia has ratified Convention No 22.

**No 23, Repatriation of Seamen, 1926**

Australia intends to utilise the "substantially equivalent" provision by substituting this Convention with Convention No 166, as it revises No 23. There do not appear to be any problems with Convention No 166, and ratification is awaiting certification of compliance by the Attorney-General's Department.

**No 87, Freedom of Association and Protection of the Right to Organise, 1948\***  
**No 98, Right to Organise and Collective Bargaining, 1949**

Australia has ratified both Conventions No 87 and 98.

In summary, Australia has ratified five Conventions (Nos 7; 22; 92; 87 and 98), complies with a further four [Nos 53 (3 & 4); 68 (5); 73; 166 (in place of 23)] and has yet to demonstrate compliance with two (one of the three social security Conventions, and Article 4 and 7 of No 134).

Department of Industrial Relations  
Canberra  
April 1994







HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON TRANSPORT, COMMUNICATIONS AND INFRASTRUCTURE

APPENDIX 5

PARLIAMENT HOUSE  
CANBERRA ACT 2600  
TEL: (06) 277 4601  
FAX: (06) 277 2067

Hon Laurie Brereton MP  
Minister for Transport  
Parliament House  
CANBERRA ACT 2600

23 March 1993

  
Dear Minister

The House of Representatives Standing Committee on Transport, Communications and Infrastructure is conducting a review inquiry into the issues raised in the Committee's 1992 report into ship safety, 'Ships of Shame'.

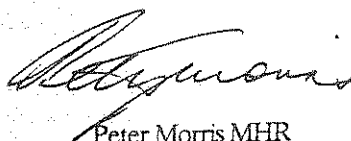
In the report two recommendations (Recommendations 14 (a) and (b)) were made concerning the operations of the Marine Incident Investigation Unit. Specifically, these recommendations called for a review of the structure of the Marine Incident Investigation Unit with a view to improving the breadth and consistency of the unit's investigations, and the wider distribution of reports throughout the maritime industry.

Attached for your information is a copy of Recommendations 14 (a) and (b) and the Government's response to them.

I would be pleased if you could advise the Committee of the outcomes of the review of the Marine Incident Investigation Unit, and what steps have been taken to increase the distribution of the Unit's reports.

Should you have any queries regarding this request I can be contacted in my electorate on (049) 43 5566 or Parliament House on (06) 277 4520.

Yours sincerely



Peter Morris MHR  
Chairman



MINISTER FOR TRANSPORT

|  |
|--|
| SECRETARY                              |
| RECEIVED                               |
| 12 MAY 1994                            |
| HOUSE OF REPRESENTATIVES               |
| TRANSPORT                              |
| PARLIAMENT HOUSE<br>CANBERRA, A.C.T. 2 |

14 MAY 1994

The Hon Peter Morris MHR  
Member for Shortland  
Chairman  
House of Representatives Standing Committee  
on Transport, Communications and Infrastructure  
Parliament House  
CANBERRA ACT 2600

Dear Mr *Peter* Morris

Thank you for your letter of 23 March 1994 concerning recommendations 14(a) and 14(b) of the "Ships of Shame" report and the operation of the Marine Incident Investigation Unit.

Recommendation 14(a) sought an independent review of the Unit with a view to improving the breadth and consistency of its investigations and reports. As indicated in the Government's response an evaluation of the Unit was completed in April 1994. Following the evaluation an additional investigator, a specialist marine engineer recruited from the Australian shipping industry, has been appointed to the unit, thus widening its base of expertise. Where necessary, the Inspector also commissions specialist expert advice, according to the needs which may arise on a case by case basis.

In addition the Unit has set up a computerised accident data base, along the lines of that in use by the Bureau of Air Safety Investigation. When the entering of historical and current incident information is complete the data base will allow the Unit to examine possible correlation between the physical and human elements in marine accidents.

Recommendation 14(b) addressed the need for marine incident investigations to be more widely publicised. In May 1993 the Unit surveyed the maritime industry by means of a questionnaire, including shipping companies, unions, fishermen and maritime colleges, to establish the acceptability of marine incident reports and how they could be improved as a tool to help prevent future accidents. The format of current reports takes account of the results from that survey, particularly in the presentation of

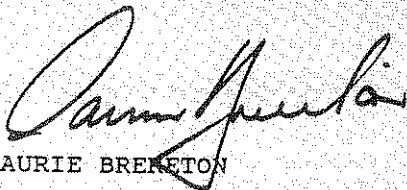
charts and diagrams and the style in which the incident is recounted and analysed.

The attached table shows the increase in distribution of reports over the ten month period May 1993 to March 1994. There has been an increase of 66 percent in the organisations or individuals receiving reports and a 70 per cent increase in reports actually issued.

In addition, where underlying causes of marine accidents seem to recur the Inspector writes to particular groups within the maritime industry, highlighting specific safety issues.

I should like to thank you and the Committee for making these two important recommendations, as a result of which the Unit has become more effective in the investigation of, and reporting on, marine accidents.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Laurie Brexton', written in a cursive style.

LAURIE BREXTON

### Distribution of marine incident reports

| Groups                           | May 1993     |             | March 1994   |             | Increase     |             |
|----------------------------------|--------------|-------------|--------------|-------------|--------------|-------------|
|                                  | Mail Address | Copies sent | Mail Address | Copies sent | Mail Address | Copies sent |
| Education Institutions           | 11           | 19          | 21           | 86          | 10           | 67          |
| Overseas Marine Investigators    | 6            | 6           | 23           | 23          | 17           | 17          |
| Federal Government Organisations | 12           | 39          | 16           | 45          | 4            | 6           |
| AMSA Marine Surveyors            | 8            | 24          | 14           | 28          | 6            | 4           |
| Marine Industry Organisations    | 17           | 47          | 25           | 63          | 8            | 16          |
| Media                            | 4            | 4           | 9            | 10          | 5            | 6           |
| Professional Organisations       | 14           | 55          | 19           | 75          | 5            | 20          |
| Shipping Companies               | 11           | 62          | 16           | 111         | 5            | 49          |
| State Marine Authorities         | 13           | 15          | 19           | 23          | 6            | 8           |
| Unions                           | 4            | 5           | 4            | 5           | 0            | 0           |
| Private Individuals and Others   | 13           | 13          | 22           | 24          | 9            | 11          |
| <b>Total</b>                     | <b>113</b>   | <b>289</b>  | <b>188</b>   | <b>493</b>  | <b>75</b>    | <b>204</b>  |