

Preface

The House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform is pleased to present this report on the Australian Maritime Safety Authority (AMSA) *Annual Report 1996–97*. The report builds on the work of three previous parliamentary reports, in *Ships of Shame: inquiry into Ship Safety* (1992), *Review Inquiry into Standards and Safety: Progress Report* (1994), and *Ships of Shame—A Sequel: Inquiry into Ship Safety* (1995).

The committee was struck by the challenge of developing and maintaining a *culture* of safety, rather than prescribing more rules that may be evaded by a few unscrupulous players.

Improvements appear to have been made primarily in the first four focus areas—quality of ships, operational issues, port state control, and crew training and competency. The committee is concerned that the fifth focus area, crew welfare, appears to have declined.

Significant developments in ship safety have occurred since the previous parliamentary inquiries. Major international initiatives intended to enhance ship safety include the following:

- industry codes of practice and guidelines
- the International Safety Management Code (ISM Code)
- regional port state control arrangements
- the revision of the Convention on Training, Certification and Watchkeeping (STCW95)
- International Labor Organization (ILO) conventions
- the updating of international conventions which aim to protect the environment.

Despite these important initiatives, the shipping industry has an uneven, and often inadequate, *culture* of safety. Many flag states, port states, classification societies, operators, charterers and other parties insist on high standards and act in a responsible manner. Others appear to adopt an approach which seeks to maximise short term returns, even at the expense of lives, cargoes, the marine environment and their own reputations.

In order to maximise their effectiveness, the recommendations outlined in this report are based on the following principles.

- Where possible, initiatives should build on existing strengths, such as Australia's highly regarded port state control program and Australia's respected role at the International Maritime Organization (IMO).
- Where there are adequate regulations the focus should be on implementation rather than new regulation.
- Where possible, market signals should be utilised to guide the behaviour of industry players.

The committee commends the efforts of the industry and its regulators to enhance the safety of shipping. Nevertheless, the committee is deeply concerned that a minority continues to gain a commercial advantage by flouting international conventions.

Quality of ships

The committee notes the significant developments in vessel quality in Australian waters, particularly for bulk carriers. This improvement is due to the efforts of AMSA as well as a range of industry participants. However, the committee is concerned that some flag states are still failing to undertake their international obligations, and supports AMSA's work in the IMO Flag State Implementation subcommittee. The committee also recommends that protection and indemnity cover be required of ships visiting Australia.

Operational issues

There have been some important developments in relation to the safe operation of ships. For example, the International Safety Management Code constitutes a global attempt to establish a *culture* of safety in shipping. The committee has isolated three operational issues to be the subject of recommendations. These are the need for streamlining and clarifying the jurisdictional coverage for commercial vessels, a requirement for marine pilots to report serious safety deficiencies, and the need for a national training and selection framework for Australian port pilots.

Port state control

The committee notes the high regard in which AMSA's port state control program is held. It also notes that AMSA is sharing its expertise with other countries in the Asia Pacific region. The committee has made several recommendations in the sector of port state control. In view of the substantial commercial benefit to be gained by some from operating substandard ships, the committee recommends that AMSA should investigate and, if appropriate, implement a strategy to offset this benefit. The committee also recommends that the IMO require vessels to be fitted with automatic identification systems, that AMSA focus more attention on out ports, and that achieving a consistently high standard of inspections in the Asia Pacific region continue to be a priority for AMSA.

Crew training and competency

The major development in the area of crew training and competency has been the revision of the International Convention on Standards for Training, Certification and Watchkeeping (to be fully implemented by 1 February 2002). The committee is particularly concerned at the impact of fatigue and recommends that this issue be monitored and addressed by both AMSA and the IMO.

Crew welfare

Members of the committee are disturbed by the extent and severity of breaches of crew welfare. There should be no tolerance of such a culture of fear and intimidation. The

abuse and neglect of seafarers constitute both a violation of human rights and a serious risk factor for ship safety. While violations of crew welfare are partly commercially driven, they ultimately derive from a fundamental lack of respect for human life. Such violations are facilitated by a legal framework that can allow perpetrators to hide behind corporate veils or slip through jurisdictional cracks.

Attention should be paid to a ship as a social system as well as a means of transport and a workplace. Without this, the prospect of a global culture of safe shipping is remote. To this end, the committee recommends that the tragic incident involving the *MV Glory Cape* be further explored, that Australia ratify International Labor Organization Convention 147 and that the Commonwealth provide assistance for seafarers' welfare organisations.

On behalf of the committee, I wish to express the Members' thanks to the individuals and organisations that participated in the inquiry. The committee appreciates the promptness and quality of the submissions received. Members of the committee found it very useful to discuss relevant issues with participants in the shipping industry who attended the public forum held on 14 July 1998.

The committee notes the commitment to safer shipping demonstrated by many industry participants and urges these responsible players to maintain the pressure on substandard operators. I would particularly like to take this opportunity to commend AMSA for its demonstrated commitment to safer shipping. Australia can be justly proud of AMSA's conscientious port state control program as well as its active involvement at IMO.

For committee deputy Chair, Hon Peter Morris MHR, this is the culmination of four inquiries into ship safety in which he has taken a leadership role, both at the national and international level—the committee members salute his contribution to this important endeavour.

I would also like to thank the committee secretariat for their enthusiasm and dedication. Rose Verspaandonk, Meg Crooks, Kate Tremble and Rachel Carew worked strenuously to meet the inquiry's demanding schedule.

Paul Neville MP
Chair
August 1998