

# **AUSTRALIAN MARITIME OFFICERS UNION**

## **Coastal Shipping Policy and Regulation Inquiry**

Standing Committee on Infrastructure, Transport, Regional Development and Local Government.

### **Introduction**

The Australian Maritime Officers Union represents:

### **Offshore Membership**

Masters and Deck Officers employed on vessels trading overseas, interstate, intrastate, tugs or tug/barge operations, dredging, offshore hydrocarbon, oil and gas operations and those members engaged on craft assisting these operations.

### **Port Membership**

Masters, Deck Officers, Pilots and other persons employed in, or in connection with, Port and Marine Authorities including Port Corporations, Government Departments, Waterways and Channel Authorities, Pilotage Services; Stevedoring; Harbour craft on or about inland and coastal waterways, bays, harbours, ports and rivers.

This submission is limited to the evidence given to the Committee by Capt F. Ross Director Maritime Policy on the 17<sup>th</sup> April 08.

### **Skills Shortage**

There is a critical shortage of Masters and Deck Officers. This shortage has not been caused by the lack of applicants, as there is an oversupply of young men and women who wish to enter the industry.

Lack of investment in training by many of the organisations and companies that benefit ultimately by employing these professional qualified and trained Masters and Deck Officers is the cause of the shortage.

The main users who contribute little or nothing to training are in alphabetical order:

(1). **AMSA** (employing Masters and Deck Officers, Nautical Safety Advisers, Marine Surveyors, Examiners of Masters and Mates, Search and Rescue Managers).

(2). **Pilot Services** (employing Coastal and Harbour Marine Pilots)

(3). **Port Authorities** (employing Harbourmasters, Port Managers, VTS Managers and Operators)

(4). **Tug Owners** (employing Towage and Salvage Masters)

Similarly some other non contributing employers of Masters and Deck officers are:

**Stevedoring Companies** (Terminal Managers, Cargo Supervisors), Dredging Industry (Dredgemasters and Mates)

**Maritime Colleges** (Lecturers), Marine Insurance Companies (Cargo Surveyors, Casualty Investigators).

As the main fleet gradually declined from around seventy vessels to around fifty the balance of positions available to the then surplus officers roughly balanced and compensated for the deficiency in training.

With the main fleet numbers stabilized, and with the natural attrition of Masters and Deck officers, recruitment shifted to New Zealand to satisfy this created shortage. The higher wages in Australia attracted New Zealand officers to the extent that now New Zealand shipowners have difficulty in manning their own fleet.

Companies such as ASP and Teekay have maintained training to meet their needs but have found that as their officers became qualified they are poached by those who do not contribute to training.

By offering higher salaries and better conditions than contained in the Bluewater sector, the Oil and Gas Industry Sector (with the exception of Farstad) has, until recently, been a drain on the Bluewater sector.

Recently approaches have been made to the AMOU for the employment of Croatian officers on Australian vessels.

Even if that was desirable, further recruitment of overseas officers would prove difficult as overseas shipping companies are experiencing the same difficulty in sourcing qualified and experienced officers as are Australian companies.

## **Training and Costs**

There is considerable attention given in some quarters to the required training time to gain full certification. The sea time and academic standards for Masters and Deck officers are set out in international conventions developed by the International Maritime Organization (IMO), a specialised agency of the United Nations.

Australia is a signatory to the IMO STCW convention on standards of training and certification for watchkeepers.

The committee should be aware that for any International Convention to be ratified there has to be a consensus or compromise, which means that the agreed standards are accommodated somewhere between the highest and lowest.

AMSA requirements for certification in some areas are higher than convention prescribes.

This is by agreement with the Industry and AMSA.

The required AMSA training and standards for the safe operation of vessels has consequently resulted in Australian Certificated officers being highly regarded internationally.

It is therefore surprising to see some industry players suggesting that we should reflect basic IMO standards and so lower Australian Standards.

Those who propose this usually haven't been to sea or are more concerned about cost cutting than safety.

The AMOU is opposed to reducing the Cadets sea time to twelve months.

On first qualifying as a watch-keeper they stand a watch without supervision as the minimum manning of vessels does not allow for supervision.

The AMOU agrees that certain non-core subjects could be accredited by the use of distant learning and some subjects could be culled to teach "What is needed to know rather than what is nice to know".

This is not new to Mariners as prior to AMSA the Department of Transport and Shipping set the examinations, assessed the results and where the required standard was reached certification was issued.

Whilst the AMOU is not suggesting a complete return to this system many of the current Masters qualified with a minimal period at College.

Blue Water Sector (Commercial Trading Vessels)

In the current Bluewater Enterprise Agreements the parties have agreed to maintain one cadet in training per vessel whilst the current shortage exists.

This will result in around 40 to 45 Cadets in training.

On employment the cadet enters into an agreement with the employer that after gaining Watch-keeper certification they will remain with the employer for two years or repay part of the training costs.

The salary whilst training is \$27,849, which isn't excessive and shipowners must understand reality for without Deck Officers they don't have a business.

### **FPSO (Hydrocarbon Industry)**

Agreement has been reached with the FPSO operators that they will maintain one cadet in training per FPSO, whilst the current shortage exists.

The same employment arrangements will apply as the Blue Water.

This will result in around 8 Cadets by the end of 2008.

### **OIL and GAS SECTOR (Hydrocarbon Industry)**

Currently this sector maintains around 12 Cadets in training with employment arrangements similar to the Bluewater.

For many years this industry has not paid its way and it is the intention by the conclusions of the EBA discussions in the fourth Quarter of this year 35 Cadets will be in training under the same employment conditions as the Blue Water sector.

### **Sea Service**

By the revision of Marine Orders Part 3 in 2004 to gain Watch-Keeper certification candidates must serve in vessels over 500gt.

Because of the changing size and scope of vessels engaged in the Oil and Gas the movement of Masters between less than 3000gt and over 3000gt vessels after a period of sea time is no longer a problem.

### **Is this sufficient?**

If by the efficient use of the college period, the time from commencement of training to completion was 27 months, then 35 Watch-keepers a year could graduate.

Arising out of the Maritime Industry Development Committee report it was the intention that a ratio of: for each two Cadets who graduated as Watch-keeper then one Integrated Rating would be also be trained to Watch-Keeper level.

Whilst this was the intent it has only been achieved in part.

### **Conclusion**

This above initiatives has at least doubled the number of Cadets in training and if the training of Integrated Ratings was supported then the number of new watch-keepers graduating each year would be tripled.

The AMOU believes that if these targets are met sufficient officers will be trained to meet the Officer requirements of the Industry.

### **Length of Time to progress to Master.**

Taking into account periods of sea-time, leave and time spent at college, the time taken to obtain certification from the commencement of service as a Cadet is;

Watch keepers Certificate 2 yrs 8 mths.

1<sup>st</sup> Mate Certificate 6 yrs

Masters Certificate 10 yrs

The above times are at best and it can be seen from this that whilst a watch-keeper's certificate can be achieved in a relatively short time the shortage of senior officers will remain for a number of years.

This is not the fault of the existing qualifying system or the officers, but lies with those employers who use the qualification but fail to put any money or effort into training.

It is as simple as that.

### **Integration of Lower Grade Certificates**

Until such time as there is one regulatory body that sets the standards for all commercial vessels little more can be done to provide for the transfer of State qualifications to AMSA standards.

State certificates are a relic of our colonial past/state rights, and unless AMSA endorsed have no validity overseas, and are often not recognised between states.

Marine Orders Part 3 provides for the recognition of some State qualifications however if there were a single Australian Standard the movement between grades of Certificates would be simplified although the AMOU does not consider there would be a large movement of such qualified officers between the port environment and deep sea vessels.

## **Specialist Training for Australian Oil and Gas Industry**

### **Dynamic Positioning Systems**

The current growth sector in the Australian shipping industry is in the exploration, construction, recovery and support sectors of the Offshore Oil and Gas market.

This industry commenced with large fishing vessels in the early 1960's and has grown to the point where the minimum size vessel supporting an Oil Rig is around 60 metres and 1500gt but these can be up around 85 metres and 3000gt with 12000bhp. Construction vessels are upwards of 110m and 5000gt. Seismic vessels can be 150 metres in length and trail streamers up to 6000 metres astern.

The common feature of all new build Anchor Handlers, Supply Vessels and Construction vessels is that they all operate using Dynamic Positioning Systems (DP).

DP is a system by which satellites and other reference points are used by a computer to control the vessels propulsion system so that it remains in one place or travels on a fixed course at a fixed speed despite the outside weather conditions and sea state.

To operate a DP vessel in accordance with the requirements of the International Maritime Contractors Association and Nautical Institute requirements the deck officer operating the system must have completed two courses (intro and advanced) and gained seven months seetime (one month prior to advanced course and six months post).

There have never been enough DP operators in Australia and this remains the case with growth outstripping the labour supply.

As Australia does not have a DP training school the main training centres favoured by Australians are in Singapore, London and Aberdeen.

Other centres are in Manila, Houston and Oslo but language and/or distance are an issue.

Unfortunately the closest centre, which is in Singapore trains in Alstrom but the majority system operated on vessels in this market, is the Kongsberg system. This is not a major problem but it does mean that DP operators are not training on the mainstream system on which they are working.

## **Manning of Vessels**

A Master, Chief Officer and Second Officer normally crew Anchor Handling and Supply vessels but this can vary dependent upon the operation and fatigue. There has been a trend to operate Class 2 AHTS's with 4 Deck Officers to ensure that two deck officers are on the bridge at all times.

For vessels required to operate as a specialist vessel the Navigating Officers (Master and Deck Officers) are required to have a DP operator's certificate in addition to their Certificate of Competency and the following minimum manning applies.

When required to operate as a Class 2 Dynamically Positioned vessels eg as ROV support the minimum manning will be Master/Senior DPO, Chief Officer/Senior DPO and two Second Officers/DPO.

On Dynamically Positioned Dive Support Vessels: the minimum manning will be a Master, two Chief Officer/Senior DPO's and two Second Officer/ Junior DPO's.

## Summary

As said earlier the majority of vessels that enter this industry are fitted for DP operations and with the lack of Australian qualified DP officers has meant that overseas officers have had to be used to make up for the shortage.

The AMOU has allowed for some time vessels to operated in the Oil and Gas industry without a full complement of Australian deck officers on board so that the projects could proceed.

This is no longer acceptable.

## Recommendation

It is critical that Australia invests in the two main marine training facilities (AMC and Challenger) to undertake DP training that is accredited by the Nautical Institute.

There are currently in excess of 40 vessels on the Australian coast with DP capability. This is a growth of 300% in 3 years for which there has been no training support within Australia to date.

Low experience levels in operating DP systems amongst many Deck Officers as a result of this dramatic growth is a concern for the safety of Oil Drilling Rigs, Platforms, Vessel Crews, Divers, Subsea Structures and ROV's. The need for DP training and specifically DP simulator training is an immediate need to sustain safety in the growth of the Offshore vessel sector.

