

# Chapter 4

## Challenges for employers

Our problem today is, if you go out there and you train a driver, the industry just says: 'You've trained him; thank you. I'll pay him 50c an hour more and I'll nab him.'<sup>1</sup>

4.1 Many employers in the transport and logistics industry are experiencing difficulty recruiting and retaining enough suitable workers to meet their business needs. This was made clear to the committee early in the inquiry, and remained an important theme throughout. There are factors related to attracting workers to the industry, and to training new and existing workers, which contribute to the problem.

4.2 However, the committee also heard that there are other challenges for employers in managing current and future workforce needs. These challenges are focused in two key areas; firstly, problems of inter- and intra-sectoral competition for workers, resulting in 'poaching' of employees; and secondly, problems of bureaucratic and legislative complexity, resulting in administrative burden and inconsistency.

4.3 Employee 'poaching' appears to be widespread in all sectors of the industry, with particular problems arising from competition for workers with the commodities sector, and in aviation and shipping, from the internationalising of that workforce. However, the committee also heard evidence of employers within the transport and logistics industry attracting workers away from each other. This highlighted the problems of fragmentation, and that for workforce challenges to be effectively addressed, employers must see their own enterprises are part of a larger system.

### Competition to attract and retain workers

4.4 The transport and logistics industry is facing a labour sellers market, in a climate of low unemployment and increasing freight movement activity. Employers are having to meet their workforce needs by competing for the limited numbers of skilled workers. Many employers are unused to having to allocate a high proportion of their investment costs in labour, and this suggests possible flow-on effects to overall transport costs.

#### *The mining sector*

4.5 The problem of competition for workers was mentioned frequently with reference to the strong mining sector, particularly in Queensland and Western Australia:

It is a booming economy...We know we did not train and we did not foresee it. But no-one could have foreseen what has happened in Western

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1 Mr Fred Heldberg, *Committee Hansard*, 2 May 2007, p. 17.

Australia. It has an economy that is growing faster than China's, for crying out loud.<sup>2</sup>

4.6 Evidence of this practice was provided from witnesses and submissions to the inquiry from all industry sectors, although it was referred to with particular frequency in relation to the mining sector, and the current commodities-driven economic boom. For example, during public hearings in Perth, the committee heard numerous statements to this effect concerning the situation in Western Australia:

In Perth, we managed to find someone and employed him for a start the following morning, and the following morning he was on a plane to a mine, because that afternoon he had received an employment opportunity. In Geraldton, the same week, they had not one but two drivers who moved immediately – simply because of a better opportunity. They were not unhappy with the employer, they were not unhappy with anything other than that they had an opportunity elsewhere – and they were highly mobile – in the mining sector.<sup>3</sup>

4.7 Witnesses spoke with particular concern about the size of the disparity in wages offered by mining companies, and those which they themselves could afford:

An example would be that a removalist driver with road train skills in still looking at around \$23 an hour. The same person's currency out on a mine site is in multiples. It is not increases; it is actual multiples of \$23 for someone triple road train rated. Our industry could not withstand that cost to maintain someone at those sorts of the prices.<sup>4</sup>

There is that three- or four-year period, and this is when it is very hard to keep them. Otherwise, they can go up to a mine site, work as a trades assistant and get \$90,000 a year. Whilst the boom is on that is great for them.<sup>5</sup>

4.8 It was acknowledged that this practice of poaching workers from other operators within the industry<sup>6</sup> is not entirely new, or in fact exclusive to mining operators. However, changes to broader economic, industrial and workforce conditions mean such an approach, lacking strategy, is unsustainable.

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2 Mr Greg Cream, *Committee Hansard*, 2 May 2007, p. 23.

3 Ibid, 2007 p. 25.

4 Ibid, 2007, p. 13.

5 Mr Ian King, *Committee Hansard*, 2 May 2007, p. 19.

6 For example, Veolia Transport Australian told the committee that in the bus industry, there are frequent instances of companies 'stealing' staff from other companies, in an employment environment described as 'closed shop'. Mr Barry James, *Committee Hansard*, 16 April 2007, p. 62.

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There is not a lot of money left to take someone and teach them for two years. We filch them from each other. That has, historically, always been the case. We are unable to do that these days. We have run out.<sup>7</sup>

4.9 It was also suggested that the problem of transport workers being lured to the mining industry to the detriment of other operators is being made worse in some high-demand skills areas by 'just-in-case' hiring, whereby as many workers as possible with sought-after skills are engaged, even if they then end up working in another capacity. For example, the Western Australian state manager of Grace Removals told the committee that:

There is also an obscene obsession in some of the other industries to have truck drivers who do not even drive trucks. The HR license carries so much currency that it is almost a pre-requisite to go onto some sites when in actual fact these people are never asked to drive. I have a mining background also...I have spent time at Newman and I know the rules – and I can assure you that the people who can drive are not driving at the moment because they are out there earning money whichever way it comes. But this crisis would have happened regardless.<sup>8</sup>

4.10 It should not be assumed, however, that where this strategy is practiced, it is only mining companies doing so. The committee also heard evidence of non-mining transport operators using similar approaches, sometimes in an attempt to stop the flow of workers in that direction:

The only way we know of is to recruit even larger numbers so the numbers of persons taken out by the mining industry are replenished. We cannot compete on the dollar figure and it is the dollar figure that will determine where these people go.<sup>9</sup>

4.11 The committee contacted representatives of some of the major mining companies operating in Western Australia during the course of the inquiry, but was disappointed that a meeting could not be arranged.

4.12 The committee also heard some anecdotal evidence that the flow of transport industry workers to the mines may be slowing, and that some operators are beginning to see workers returning to mainstream areas of the industry. For example, during a visit to the Port of Townsville, which is currently planning major expansion activities, the committee heard that port operators are aware of a number of workers who, having spent several years at mine sites in Queensland, are now returning to coastal and other urban areas. Lifestyle stresses associated with working in the mining industry were suggested as possible reasons for this movement.

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7 Mr Fred Heldberg, *Committee Hansard*, 2 May 2007, p. 17.

8 Mr Greg Cream, *Committee Hansard*, 2 May 2007, p. 23.

9 Mr Evan Knapp, *Committee Hansard*, 3 May 2007, p. 21.

4.13 The committee heard a similar suggestion in South Australia during a visit to the TransAdelaide incorporated transport facility, in relation to workers beginning to return from the mines in Western Australia. Notably, staff at TransAdelaide told the committee that there are considerable benefits to the transport industry as a whole of some workers being involved in the mining sector. First, because mining can provide attractive career paths and longer term opportunities for workers who may otherwise not become involved in the industry at all; and second, because returning workers to mainstream transport operations bring back a range of experiences and skills which enrich those businesses and operations by whom they are subsequently employed.

4.14 This can also apply to workers who move abroad for a period of time; Main Roads Western Australia, for example, noted that increasing numbers of young people in the industry may go overseas and work with a body such as the London Transport or a road authority for a time, returning with a fresh range of skills and experiences to contribute to the Australian industry.<sup>10</sup>

#### ***Other transport industry sectors***

4.15 The competitive battle for a small pool of available workers is not restricted to the mining industry. The committee heard evidence from a number of witnesses and submissions that similar problems, though perhaps not always with the same element of wage-based incentives to workers, are being experienced in other transport industry sectors as well.

4.16 This includes the aviation and maritime industries, where there is additional pressure arising from the international nature of workforce activity, and (in the maritime industry) the fact that many of the seafaring skills most in demand are exclusive to the industry, and therefore the pool of available workers is by nature relatively limited.

4.17 In the aviation industry, for example, the Australian Licensed Aircraft Engineers Association expressed the view that there is a significant problem with Australian aircraft maintenance engineers, considered amongst the best in the world, being lured to more attractive overseas opportunities:

Australians qualified in but not restricted to aircraft maintenance are sought the world over, with poaching of personnel a consistent and ongoing problem that the employees and government of this country contend with. In an Australia-wide population of 6,000 licensed aircraft engineers (LAEs), over 500 spend their working lives in other countries, which is the approximate equivalent of 8.5 per cent. Added to that, there is a worldwide shortage at the present time of licensed aircraft engineers and various incentives such as high rates of pay, shares in company and profit sharing,

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10 Although there is always some level of attrition in these circumstances, with a proportion of workers moving overseas and not returning, Main Roads Western Australia explained that in their experience, over 50 per cent of young people did return. Mr John Taya, *Committee Hansard*, 2 May 2007, p. 8.

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not dissimilar to executive profit sharing, and free international and domestic air travel are used to poach and keep LAEs.<sup>11</sup>

4.18 Similarly, Qantas told the committee that the numbers of pilots willing to be based overseas to work for other carriers is increasing, and that this is only likely to continue as global pilot shortages worsen. Further, in relation to aircraft maintenance workers, there is some evidence of workers being 'poached' in a process similar to that in the mining sector:

It is becoming apparent that other companies with whom Qantas Engineering competes for labour are often not investing to the same degree (if at all), resulting in poaching of skilled Qantas engineering staff by such companies. For example, large aviation manufacturers and MROs in Australia that do not have apprentices, are hiring Qantas graduates with offers of inflated wages. If Qantas was to match these offers we would become uncompetitive and be forced to send maintenance overseas.<sup>12</sup>

4.19 Following this theme, Aviation Australia submitted that if there should be a loss of base maintenance or heavy maintenance work to foreign countries, strategies will need to be put in place to ensure enough workers with the appropriate skills remain available in Australia to meet industry needs here.<sup>13</sup> Importantly, Aviation Australia also noted that the movement of airline maintenance work to overseas locations may not be a disadvantage:

Although the prospect of airline maintenance work being taken overseas will continue to be a very real prospect, it is counterbalanced by the opportunity for expanded third party maintenance repair and overhaul businesses by well run organisations.<sup>14</sup>

4.20 As for the maritime industry, the Australian Shipowners Association told the committee that the biggest factor affecting skilled work, at least as far as the bluewater sector is concerned, is competitive labour pressure within the industry itself:

The bluewater sector has traditionally been responsible for doing the lion's share of training in terms of sponsoring new entrants to the industry and training them up to be competent to perform work aboard a ship. We have highlighted in our submission that, whilst this has traditionally been the case and certainly is at present, other industry sectors have relied on our industry to be the source of their labour.<sup>15</sup>

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11 Mr Paul Cousins, *Committee Hansard*, 16 April 2007, pp 66-67.

12 Qantas Airways Limited, *Submission 26*, p. 5.

13 Aviation Australia, *Submission 2*, p. 4.

14 Aviation Australia, *Submission 2*, p. 4.

15 Mr Evan Westgarth, *Committee Hansard*, 16 April 2007, p. 78. The Maritime Union of Australia also commented on the movement of workers from the bluewater sector to other industry areas, including the offshore sector. *Submission 12*, p. 7.

4.21 It is clear from these and similar comments that competition for labour between operators within the transport industry is a difficulty for many employers. Small employers in particular with limited financial capacity to match wage-based incentives to attract or retain workers offered by larger employers, face more serious difficulties.

### **Regulation and bureaucratic burdens**

4.22 In addition to the challenges employers face in competing for a limited supply of workers, numerous witnesses and submissions to the inquiry also commented on the difficulties presented by complex regulatory regimes operating across state and territory borders.

4.23 Uniform transport regulations have been subject to a great deal of concentrated activity by the transport ministerial council over many years. It seems inexplicable to the committee that there continue to be complaints from transport operators, and a wonton tendency on the part of state regulatory agencies to make up new regulations unilaterally.

4.24 Evidence to the inquiry did not suggest disagreement with the need for a sound regulatory environment. In fact, many operators see benefits in increased pressure on operators to meet compliance standards:

...there has been increasing pressure on drivers to comply with government regulations. This means more paperwork that many drivers, particularly those who have been in the industry for many years, resist...Whilst this is a factor in some older drivers dropping out of the industry, the improved standards are actually improving the attractiveness of the industry to new entrants.<sup>16</sup>

4.25 However, problems persist. Some witnesses expressed frustration with the bureaucratic processes associated with training:

...the criteria for what constitutes a traineeship and the sorts of competency assessments that go with it are not necessarily flexible enough or broad enough to accommodate our business needs. That becomes a disincentive to managers, who are finding that they are dealing with a highly, if you like, bureaucratized process.<sup>17</sup>

4.26 Other industry stakeholders commented that, once workers are trained and employed in the industry, the burdens of complex regulatory compliance may be so onerous as to become a disincentive to workers remaining in the industry. This appears to be particularly the case for long-distance truck drivers, who cross state and territory boundaries and are confronted with different sets of regulations in each state.

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16 Transport Forum WA, *Submission 25*, p. 14.

17 Mr Cliff Gillam, *Committee Hansard*, 2 May 2007, p. 32.

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The Sea Freight Council of Queensland, an industry body representing all sectors within the sea freight logistics chain, explained that:

Regulation and law enforcement has had a significant impact on transport industry labour, particularly on interstate drivers, and it is a major contributing factor to the accelerated rate of departure of long-haul drivers from our members' businesses. Many drivers feel harassed by what they believe is trivial enforcement of minor issues...The majority of disputed penalties relate to log book offences where drivers are penalised for spelling mistakes, errors in adjusting for daylight savings between QLD and NSW, and incorrect estimates of time travelled between towns.<sup>18</sup>

4.27 From some small operators, the committee heard complaints about the difficult task presented by regulatory requirements which are seen as overly bureaucratic and cumbersome for an enterprise with limited administrative capacity. For example, members of TOLL Group voiced concerns on this matter:

...we are concerned about owner-drivers and their existence in the future. Increasing legislative, compliance and commercial frameworks are making it very difficult. As a general observation, owner-drivers and smaller operators are finding it increasingly difficult to make a buck and subscribe to regulation.<sup>19</sup>

4.28 Similarly, the Bus and Coach Association of New South Wales submitted that increased levels of regulatory control imposed on bus and coach operators are proving particularly onerous for smaller operators, especially those in rural areas:

While the larger players in the industry are generally managing the changing regulatory environment, many smaller, particularly rural operators have been left reeling, with some seriously considering their future in the industry. This clearly has implications for the viability of regional and remote communities in Australia, as well as employment and career prospects within the industry.<sup>20</sup>

4.29 For other operators, frustrations arise from the time taken for bureaucratic procedures to run their course, rather than from inherent complexities or compliance burdens. The South Australian Freight Council commented, in relation to Maritime Security Identification Cards (MSICs), that:

An application for a MSIC must have a current need for access to secure maritime precincts (ie, ports) in order to receive a card. MSICs take a considerable time between application and issuing, due to the need for an in-depth background check to be performed.<sup>21</sup>

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18 Sea Freight Council of Queensland, *Submission 11*, p. 4.

19 Mr Alan Mitchell, *Committee Hansard*, 16 April 2007, p. 52.

20 The Bus and Coach Association of New South Wales, *Submission 21*, p. 2.

21 South Australian Freight Council, *Submission 5*, p. 12.

### ***Licensing requirements***

4.30 One particular problem related to regulation concerns the structure of licensing regimes for truck drivers. For younger drivers, there is a disjuncture between the age at which prospective drivers are able to obtain different types of licenses, and therefore be eligible to drive, and the age at which young people become available to embark on careers in the industry.

4.31 Typically, young people of around 16 or 17 years may consider a career in driving on completing or nearing completion of high school. However, the minimum age at which a person can obtain a light rigid or medium rigid license is 18 in New South Wales and Queensland, and 19 in Victoria; and in addition, the person must have held a car license for at least 12 months. To obtain a more advanced license, for example a multi-combination (MC) license, a person must have held the various less advanced license types for at least 12 months each, meaning the minimum age at which a person can obtain a MC license is 21 in New South Wales and Queensland, and 22 in Victoria.<sup>22</sup>

4.32 The type and volume of freight which is carried by road, especially in rural Australia, is such that MC licenses are most sought after. However, the nature of the licensing regime means that not only are there far fewer MC licensed drivers and trucks available in rural areas than there is demand, but that those young people who may be interested in upgrading less advanced licenses are unable to do so due to lack of opportunity to accrue vehicle experience.<sup>23</sup>

4.33 Witnesses and submissions to the inquiry highlighted two related problems for employers associated with this arrangement. The first, linked directly to the disjuncture between the age at which young people begin to consider a career in transport and the age at which different license types (and associated salaries) may be obtained, is that 'By the time most young people have turned 25 and are able to drive vehicles in the transport sector, they have already started a career elsewhere.'<sup>24</sup>

4.34 Related to this, the second problem for employers is the connection between the licensing regime and driver insurance premiums. High excesses placed on drivers under the age of 25 are a significant disincentive for employers to engage young people in a driving capacity,<sup>25</sup> particularly for the small owner-driver businesses which make up the majority of the road transport industry. However, without the opportunity to gain practical experience as a driver before the age of 25, workers can not hope to be able to obtain a full MC license until sometime in their late 20s or early 30s; by which time many have certainly moved into other employment fields with

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22 Ron Finemore Transport, *Submission 4*, p. 2.

23 Ibid.

24 Tasmanian Freight Logistics Council, *Submission 7*, p. 3.

25 Ibid.



more attractive career path options. This problem is made worse for employers by the genuine need to be confident that drivers are capable and competent to manage expensive equipment:

The barriers created through the graduated licensing system and insurance are integral to drivers failing to move up through the license classes however in addition employers are seeking a minimum of two year's vehicle experience. The reluctance to employ inexperienced drivers is understandable. A new prime mover can easily cost over \$400,000 and trailers over \$100,000. A driver in control of a triple road train may be managing a vehicle and freight combination in excess of a million dollars.<sup>26</sup>

## **Legislative framework**

### ***Chain of responsibility legislation***

4.35 Some of the increases in regulatory requirements mentioned by witnesses and submissions during the inquiry have arisen as a result of changes to legislation governing the transport industry, both in individual jurisdictions and more broadly. One of the most important of these changes relates to the introduction of *chain of responsibility* legislation. At a national level, Australian Transport Ministers approved a model bill in November 2003 (The Road Transport Reform (Compliance and Enforcement) Bill). This bill contains provisions to ensure legal liability is imposed on all parties in the transport and logistics chain who have responsibility for tasks where their actions may result in an offence.<sup>27</sup> State and territory authorities have subsequently developed individual legislation to give effect to the bill in their own legislation.

4.36 The chain of responsibility legislation seeks to spread legal responsibility for unsafe practices in the transport industry beyond drivers only, who have traditionally borne the brunt of liability. Under the regime, all parties with control over the operations of the vehicle have residual legal responsibilities in the event of an accident. These may include primary producers, miners, manufacturers, retailers, importers, exporters and tourism operators.<sup>28</sup>

4.37 Many witnesses and submissions commented on the benefits of the chain of responsibility legislation, recognising not only the inherent justice of a more coherent legal approach, but also the practical benefits of the revised regime. It was noted that even though the legislation has been implemented relatively recently, particularly in some states, there is already evidence of satisfactory effects on operations and business approaches. For example, the Victorian Transport Association commented that:

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26 Transport Forum WA, *Submission 25*, p. 12.

27 National Transport Commission, *Information Bulletin: Chain of Responsibility*, February 2004.

28 National Transport Commission, *Information Bulletin: Chain of Responsibility*, February 2004.

We know that is having an impact on employment practices and, I suspect, will have a continuing impact...they are taking their responsibilities in relation to things like chain of responsibility laws very seriously. Whether they are also running their own fleet, such as Woolworths, or whether they are purchasing their freight transport needs, that are realising that they have legal obligations that they need to take seriously.<sup>29</sup>

4.38 The committee was particularly interested to hear examples of industry-led initiatives for voluntarily improving safety standards, prompted and guided by the introduction of the new legislation. For example, the Australian Logistics Council explained that a number of its key members relating to the retail logistics supply chain, including Coles and Woolworths, Toll, Linfox, the Australian Trucking Association, the National Transport Commission, and the Transport Workers Union, have come together to develop a voluntary code of conduct across a number of areas. These include:

...fatigue, load restraint, drug and alcohol policy, and so on. That is being implemented. That is about creating a national minimum standard against those safety areas to try and lift the safety standards of transport and logistics in that particular supply chain; also to make it simpler to live by the law.<sup>30</sup>

4.39 However, it does appear that while the chain of responsibility legislation is having some positive effects, and is in principle accepted and supported despite the extra regulatory requirements which some operators are experiencing, there are some continuing concerns about enforcement of this and other legislation. Some witnesses expressed the belief that policing authorities need to take a stronger stand:

I can tell you who they are every night between Melbourne and Sydney, and Sydney and Brisbane. They are the same trucks. Those blokes never get penalised. You know the companies. You can pick the people who are doing problematic driving hours and the people who are being asked to do extra hours...(The chain of responsibility legislation) will create and is creating a major difference. What we need is the policing authorities in the various state governments around the country to enforce, as Queensland has with the assistance of the TWU on some people who were strongly and badly doing the wrong thing – to get stuck in.<sup>31</sup>

4.40 On balance the committee considers that changes to the legislative regime, and in particular the introduction of chain of responsibility legislation, in recent years have been positive, and necessary to improving industry competitiveness and professionalism. There is evidence that some operators are experiencing challenges in ensuring compliance with this legal framework, but given the relatively recent

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29 Mr Neil Chambers, *Committee Hansard*, 16 April 2007, pp 36-37.

30 Mr Hal Morris, *Committee Hansard*, 12 April 2007, p. 5.

31 Mr Ron Finemore, *Committee Hansard*, 12 March 2007, pp 5-6.

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introduction of legislation, and the general goodwill supporting it, it is worthwhile giving attention to ways in which these may in time be remedied.

### *Maritime legislation*

4.41 Legislative issues for the transport industry were also raised in relation to sectors not immediately affected by the chain of responsibility legislation. In particular, the committee heard evidence from stakeholders in the maritime transport industry about problems with laws governing income tax of Australian seafarers, which may be putting them at a serious disadvantage. This could affect the attractiveness of the industry as a career option.

4.42 The Maritime Union of Australia, the Australian Maritime College, and the Australian Shipowners Association all commented on this problem, which relates to interpretations of 'foreign service' in section 23AG of the *Income Tax Assessment Act 1936*.<sup>32</sup> Interpretations of the meaning of 'foreign service' in this legislation by the Federal Court have resulted in Australian seafarers being exempt from paying domestic income tax only where they are engaged in shore-based foreign service. Exemptions do not apply to seafarers where they are engaged on foreign vessels and required to traverse the high seas.

4.43 As the Australian Maritime College noted, this is in contrast to arrangements for seafarers from other OECD countries, where concessionary tax arrangements do apply to those working on foreign vessels on the high seas.<sup>33</sup> The consequence of this, as the Australian Shipowners Association explained, is that:

...Australian seafarers (including trainees) are disadvantaged when it comes to securing foreign employment. Australian seeking to work on foreign vessels must either accept lower salaries (once Australian income tax is paid) or negotiate higher rates than seafarers sourced from other countries.<sup>34</sup>

4.44 Given the challenges facing the maritime industry in terms of recruiting and retaining seafarers,<sup>35</sup> it seems reasonable to suggest that this is an area in which changes could be made to improve the attractiveness of a career in seafaring.

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32 This section states that: Where a resident; being a natural person, has been engaged in foreign service for a continuous period of not less than 91 days, any foreign earnings derived by that person from that foreign service is exempt from tax. Foreign service means service in a foreign country as the holder of an office or in the capacity of an employee. Australian Shipowners Association, *Submission 29*, p. 9.

33 Australian Maritime College, *Submission 17*, p. 5.

34 Australian Shipowners Association, *Submission 29*, pp 9-10.

35 In this context it is also interesting to note that the size of Australia's registered shipping fleet has declined in recent years, meaning that there are fewer Australian-flagged ships on which trainees may undertake sea experience, and on which qualified seafarers may work. Australian Shipowners Association, *Submission 29*, p. 8.

4.45 The Maritime Union of Australia raised a further concern in relation to coastal shipping legislation, related to cabotage law and practice. The committee heard that current cabotage laws in this country (unlike those in many other countries) do not require vessels trading on the Australian coast to be Australian flagged, nor to carry Australian seafarers, nor that the vessel be built in Australia. The Union submitted that the result of this is that:

...the Australian coastal zone is effectively annexed from Australian sovereignty such that Australian law does not apply in the Australian coastal zone, even in Australian territorial waters. This allows vessels to trade along the Australian coast completely exempt from Australian industrial laws including workers' compensation and OHS laws, exempt from aspects of taxation law and customs law, exempt from immigration law and exempt from ship safety and environmental law.<sup>36</sup>

4.46 It appears, therefore, that there may be wide variations in employment regulations and legislation applying to the many ships and seafarers operating in Australia's coastal waters, and that this may contribute to an unstable industrial environment in which it is difficult for Australian seafarers and maritime stakeholders to manage strategies to attract and retain suitable skilled workers.

## **Recommendation**

### ***Recommendation 6***

**The committee recommends that section 23AG of the *Income Tax Assessment Act 1936* be reviewed, and the meaning of 'foreign service' for income tax purposes be clarified so that Australian seafarers are not disadvantaged in their earnings capacity relative to seafarers of other nations when working on foreign-flagged vessels on the high seas.**

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36 Maritime Union of Australia, *Submission 13*, pp 5-6.