

EXPLANATORY STATEMENT

Shipping Registration Act 1981

Australian International Shipping Register (Minimum Wages) Determination 2012

Subsection 61AE(3) of the *Shipping Registration Act 1981* (the Act) provides that the Minister must, by legislative instrument, determine the amount of wages of seafarers performing particular types of work on board ships registered in the Australian International Shipping Register (the International Register).

Purpose

The purpose of the *Australian International Shipping Register (Minimum Wages) Determination 2012* (the Determination) is to set out the minimum amount of wages of seafarers performing particular types of work.

Background

One of the objects of the International Register is to provide an internationally competitive shipping register to facilitate the long term growth of the Australian shipping industry. A core component of the Act that gives effect to this is permitting operators of International Register ships to access mixed crewing arrangements, thereby enabling the employment of foreign seafarers at internationally competitive rates and conditions.

In order to protect the interests of seafarers, however, the Act contains a number of provisions in relation to seafarers' employment terms and conditions on International Register ships. Subsection 61AE(1) of the Act requires the work agreement of a seafarer to specify the amount of the seafarer's wages, or the method for working that out. Subsection 61AE(2) provides that the amount of the wages must not be less than the relevant amount determined by the Minister under subsection 61AE(3). In turn, subsection 61AE(4) provides that the amount of wages determined by the Minister must not be less than the amount of wages specified in the International Transport Workers' Federation Uniform Total Crew Cost Collective Agreement (the ITF Agreement). The amounts of wages specified in the Determination are the same as those in the ITF Agreement at the time of making the Determination.

Details of the Determination are in the [Attachment](#).

Consultation

No formal consultation was undertaken specifically in relation to this Determination. However, extensive stakeholder consultations were undertaken in relation to the amendments to the *Shipping Registration Act 1981* that created the International Register, including in relation to section 61AE, which is about the amount of seafarers' wages.

This Determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Determination commences on 1 July 2012.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Australian International Shipping Register (Minimum Wages) Determination 2012

The Determination is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Determination

The Determination sets out the minimum amount of wages of seafarers performing particular types of work on board ships registered in the Australian International Shipping Register (the International Register). This is a requirement under subsection 61AE(3) of the *Shipping Registration Act 1981*.

Human rights implications

Article 7 of the International Covenant on Economic, Social and Cultural Rights protects the right of workers to the enjoyment of just and favourable conditions of work. This includes fair wages, equal remuneration for work of equal value, safe and healthy working conditions, equal opportunity in promotion, and rest, leisure and reasonable limitation of working hours and periodic holidays with pay, as well as remuneration for public holidays.

The Determination protects the right of workers to just and favourable conditions of work. In the absence of this Determination, there would be no minimum safety net for the amount of wages payable to seafarers working on board ships registered in the International Register.

Conclusion

The Determination is compatible with human rights because it is part of a legislative framework that protects the human rights of seafarers on International Register ships.

Minister for Infrastructure and Transport, the Hon Anthony Albanese MP

Details of the *Australian International Shipping Register (Minimum Wages) Determination 2012*

Section 1 – Name of Determination

Section 1 provides that the name of the Determination is the *Australian International Shipping Register (Minimum Wages) Determination 2012*.

Section 2 – Legislative Instrument

Section 2 provides that the Determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

Section 3 – Commencement

Section 3 provides that the Determination commences on 1 July 2012.

Section 4 – Definitions

Section 4 defines terms used in the Determination.

Section 5 – Object

Section 5 outlines the requirements in the *Shipping Registration Act 1981* relating to determining the amount of wages and states that the object of the Determination is to set out the minimum amount of wages of seafarers performing particular types of work on board a ship that is registered in the Australian International Shipping Register.

Section 6 – Amount of wages 2012

Section 6 provides that the amount of wages for a seafarer for the period 1 July 2012 to 31 December 2012 is the corresponding amount specified in column 2 for their particular classification specified in column 1 of Schedule 1 to the Determination.

Section 7 – Amount of wages 2013

Section 7 provides that the amount of wages for a seafarer for the period 1 January 2013 to 31 December 2013 is the corresponding amount specified in column 2 for their particular classification specified in column 1 of Schedule 2 to the Determination.

Section 8 – Amount of wages 2014

Section 8 provides that the amount of wages for a seafarer for the period 1 January 2014 to 31 December 2014 is the corresponding amount specified in column 2 for their particular classification specified in column 1 of Schedule 3 to the Determination.

Section 9 – ITF template agreement

Section 9 provides that the amounts of wages specified in Schedules 1, 2 and 3 to the Determination are expressed in US dollars, are the amounts that are payable each calendar month, and are not less than the amount of wages specified in the International Transport Workers' Federation Uniform Total Crew Cost Collective Agreement.