



**Australian Government**  
**Seafarers Safety, Rehabilitation  
and Compensation Authority**

**SEACARE NEWS**

**Issue: 6**

**April 2004**

One of my key roles as Chairperson is to keep the Minister for Employment and Workplace Relations informed about decisions of the Seacare Authority and on key developments in the Seacare scheme. In December 2003 I spent over an hour with Minister Andrews highlighting some of the key initiatives being pursued by the Authority and key challenges being confronted, including: the review of scheme legislation; the management of the Seafarers Safety Net Fund in circumstances where we have not been able to obtain insurance; our work in adopting applicable national OHS standards for the industry and in particular the new regulations prohibiting the use of asbestos in maritime workplaces; concerns about the absence of terrorism insurance and Seacare's representations to Government about the possible application of the Reinsurance Pool Corporation arrangements to workers' compensation. I also invited the Minister to be our keynote speaker at the Sea Safe-Work Awards 2004 presentation scheduled for November, to which he has agreed. In addition to my meeting with the Minister I have written to him following each of the last three Seacare Authority meetings on issues such as the Safety Net Fund and Authority concerns about the application of the levy to exempt employment. The Minister indicated a continuing close interest in the work of the Authority and asked to be kept across developments.

Geoff Gronow  
Chairperson  
Seafarers Safety, Rehabilitation and Compensation Authority

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**OHS Practitioners Networks**

The first regional OHS practitioners network meeting took place in Victoria on 15 March 2004. The Victorian Maritime Safety Group meeting was organised by Victorian co-convenors Dominic Panetta (Australian Maritime Safety Consultants) and Graeme Peterson (Graeme Peterson & Associates).

A full report on the first Victorian Network meeting will appear in issue 7 of *Seacare News*.

Discussions will take place in May regarding establishment of a WA Network. The Authority is seeking a WA convenor for a WA Safety Network. We are also seeking an interested person to convene a meeting in NSW. Further information can be obtained by contacting the Seacare Management Group on 02-

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**Seafarers Safety Net Fund**

Arising from a decision of the Seacare Authority on 18 February 2004, the Chairperson wrote to the Minister on 4 March 2004 providing advice on the rate of levy. The Authority's advice to the Minister was based in large part on new actuarial advice on a prudent level of reserve to be maintained (and the options for accumulating the reserve) in light of the unavailability of insurance for the Fund, and having regard to the need for higher prudential standards or margins in the wake of the Government's response to the HIH Royal Commission recommendations. On 1 April the Minister advised the Chair that the levy rate should be maintained until the Fund's reserve is built to the actuary's recommended level of \$550,000. Accordingly, it is unlikely there will be a change to the rate of levy for the next 15 to 18 months.

The focus of the Authority remains on consideration of alternative management and underwriting options for the Fund, with a view to development of advice to the Minister.

**Manual Handling Guidance Material**

Following a decision of the Seacare Authority to introduce a regulation under the OHS(MI) Act on manual handling, consultation on guidance material to support the introduction of a manual handling regulation will commence in the near future. The industry consultation will be coordinated by members of the Seacare Authority Standards Task Force, Mr Trevor Griffett (ASA) and Mr Martin Byrne (AIMPE). AMSA will also be actively involved.

## OHS(MI) (National Standards) Regulations 2003

The National Standards regulations, which prohibit the use of asbestos in maritime industry workplaces, except where specific exemptions apply, commenced on 31 December 2003. Since commencement, the Seacare Authority has been advised by employer associations, confirmed by AMSA, that the amosite form of asbestos is in much wider use on ships than previously advised to the Authority. While the regulations exempt in situ chrysotile from the prohibition unless disturbed or a danger to health, no such exemption exists for non chrysotile asbestos in situ. It is therefore contrary to the new regulations to use amosite asbestos i.e. for the ship to contain in any form, amosite. While the regulations provide a process for operators to apply for an exemption from the prohibition, one condition to be met is that there is no known alternative substance. Given the uses of amosite on ships it is very likely there is an alternative, meaning an exemption could not be granted by the Authority i.e. the operator would have to remove the non chrysotile asbestos and replace it with a non asbestos alternative.

Given the commercial implications of such an approach, the Department of Employment and Workplace Relations has been requested to seek the approval of the Minister to amend the regulations to provide more flexibility in their application. No decision has yet been made.

In addition, the Seacare Authority has updated its 'Guidance on the Prohibition on Use of Asbestos in Australian Maritime Industry Workplaces', primarily to clarify what constitutes a **disturbance** of chrysotile i.e. when is it no longer in situ. Version 3 of the Guide is available from the Seacare website.

## Key Outcomes of Seacare Authority Meeting 50 18 February 2004

The Authority agreed:

- that the Chairperson should provide to the Minister the Authority's advice on the rate of levy for the Seafarers Safety Net Fund;
- that the AMICA service fee for contract administration services be increased to \$108,000 per annum, effective from 1 July 2003;
- to reduce the Sea Safe-Work Award categories from eight to four for the Sea Safe-Work Awards 2004, and that a full day OHS conference precede the Awards presentation evening;
- to develop a compliance strategy for the enforcement of the new asbestos prohibition regulation and that part of the compliance strategy involve guidance for AMSA inspectors acting under the OHS(MI) Act;
- that AMSA should continue to discuss with the States/NT options for provision of OHS(MI) Act services on behalf of the Commonwealth, for report back to the Seacare Authority, including any cost implications;
- that the SMG and AMSA advise the Authority at the May 2004 meeting of the outcomes of the representation made by the Minister for Transport and Regional Services to the Minister for Employment and Workplace Relations about OHS inspection services; &
- to a draft revised compensation claim form and authorised the SMG to discuss/road test the draft with AMICA and a select group of employers/employees before finalisation.

## Update on stage two of the review of Seacare scheme legislation

The employee representatives advised meeting 50 on 18 February 2004 that meetings between the three unions (AIMPE, AMOU, MUA) were to take place shortly as a preliminary step to meetings between the unions and employers on the joint ASA/AMMA submission of November 2003. The parties undertook to report back to the May 2004 meeting of the Authority.

The Seacare Management Group has refined the Stage Two Proposals Paper by categorising all the stage two proposals into the following categories to assist consideration: (i) Application/coverage; (ii) Scheme governance, finances and resourcing; (iii) Scheme design (including definitional issues); (iv); Regulatory functions; and (v) Other. Stage two of the review will also take into account the Government's response to the Final Report of the Productivity Commission (PC) Inquiry into Workers' Compensation and OHS Frameworks, expected in late March 2004.

The Minister has recently written to the Chairperson requesting the Authority to obtain actuarial advice on the potential impact on insurance premiums of certain stage one proposals. This is required by the Minister before he gives policy approval for preparation of a stage one Bill.

To help progress Stage Two of the review, the Authority has established a Legislation Review Task Force comprising the Chairperson of the Authority, Geoff Gronow, the Deputy Chair of the Authority, Noel Swails, an employer representative, Trevor Griffett, an employee representative, Martin Byrne and AMSA, represented by Geoff Toomer.

## Publication Update

- Guidance on the Prohibition on the Use of Asbestos in Australian Maritime Industry Workplaces (Version 3), which now includes guidance on what constitutes a "disturbance" is available on the Seacare website.
- The Workplace Relations Ministers' Council Comparative Performance Monitoring 5<sup>th</sup> Report is available from [www.workplace.gov.au](http://www.workplace.gov.au).
- NOHSC is seeking public comment on its proposal to amend the National Code of Practice for Noise Management and Protection of Hearing at Work [NOHSC:2007 (2000)]. The public discussion paper and submission details are available from the NOHSC website [www.nohsc.gov.au](http://www.nohsc.gov.au)
- NOHSC is seeking public comment (by 28 May 2004) on the following codes/guidance material to support the prohibition on asbestos:
  - *Code of Practice for the Safe Removal of Asbestos* [NOHSC: 2002(1988)];
  - *Guidance Note on the Membrane Filter Method for Estimating Airborne Asbestos Dust* [NOHSC: 3003(1988)]; and
  - Amend the *Guide to the Control of Asbestos Hazards in Buildings and Structures* [NOHSC: 3002(1988)] and replace the document with a *Code of Practice for the Management and Control of Asbestos in Workplaces* [NOHSC:2018(2004)].

## Employee and Ship Details (ESD) Reporting - update

Arising from employer comments on the new reporting requirements introduced in January 2004 for the July to December 2003 reporting period, some further refinements to the reporting specifications will be made for the January to June 2004 reporting period, in July 2004. These will be notified to all ESD contacts during April or May in time to ensure employer systems can provide Seacare data.

The Seacare Authority recognises the difficulties experienced by employers when changes are made to reporting arrangements, such as new data specifications, but has asked employers to work closely with the Seacare Management Group to ensure the full range of data is supplied in a timely manner.

The Authority has endorsed the upgrading of the Seacare website, and in particular the ESD reporting system, to ensure ease of reporting for employers and importantly, that the ESD system is capable of allowing employers to look up their own performance on a number of scheme indicators against both their sector, and scheme wide, performance. The Authority will keep employers fully informed on these developments. Scoping of the web upgrade project is currently underway.

The Seacare Authority expressed concern about late or inadequate provision of ESD reporting, and has asked the SMG to apply the Seacare Authority compliance procedure more systematically. The essence of the compliance procedure is that where there is non compliance 5 days after the end of the reporting timeline, and a follow up contact does not elicit the information, a letter will be sent to the CEO of the company.

It is important to note that **all employers and operators** to whom the application provisions of the Seafarers Act **AND** the OHS (MI) Act apply are required to report 6 monthly to the Seacare Authority. The main requirements of the ESD reports are as follows:

- Employee numbers and hours worked are reported every 6 months (Seafarers Act and OHS (MI) Act):
  - employee numbers by gender, age, occupation and industry sector are reported annually (Seafarers Act only);
- Details of ships covered by the Seafarers Act and OHS(MI) Acts are reported every 6 months; and
- Insurance arrangements must be reported within 14 days of a policy or renewal being issued.

The formula to be used by employers in calculating hours worked for ESD reporting is:

**The standard complement of seafarers engaged on each ship at any one time (i.e. ship berths) X the number of hours (on average) per day the crew are on board, whether at work or not X the number of days the ship was operational (and was operating under the Seafarers Act) in the reporting period = hours worked**

The formula for calculating a FTE employee is as follows:

**The standard complement of seafarers engaged on each ship at any one time (i.e. ship berths) X the number of hours (on average) per week the crew actually work (according to the relevant industrial Award, Agreement or AWA) / 35 = FTE employees.**

## Terrorism Insurance

The Chair of the Authority wrote to Minister Andrews late in 2003 proposing that the Minister write to the Treasurer in response to the Treasurers invitation to the States/Territories to advise on the issue of workers' compensation insurance falling within the classes of insurance covered by the *Terrorism Insurance Act 2003*. Seacare has been advised that Minister Andrews has subsequently written to the Treasurer proposing that the Seacare scheme be included in the Reinsurance Pool Corporation arrangements. Seacare is not aware of the response of the Treasurer at this stage.

## Seacare Authority Sea Safe-Work Day

The Seacare Authority is sponsoring Sea Safe-Work Day 2004 on 28 April 2004 to coincide with World Day for Health at Work, sponsored by the International Labour Organisation. To promote the day, the Chair of the Authority has written to each company requesting that it organise an on board activity or initiative (supported by onshore actions) on 28 April with an OHS or safety prevention focus.

### Seacare Contacts

#### Members:

Mr Geoff Gronow	Chairperson
Mr Noel Swails	Deputy Chairperson
Capt Warwick Norman	Employer member
Mr Mal Hearnden	Employer member
Mr Paddy Crumlin	Employee member
Mr Martin Byrne	Employee member
Mr Clive Davidson	Australian Maritime Safety Authority

#### Deputy Members

Mr Trevor Griffett	Deputy to Capt Warwick Norman
Mr John Flood	Deputy to Mr Mal Hearnden
Mr Mick Doleman	Deputy to Mr Paddy Crumlin
Mr John Wydell	Deputy to Mr Martin Byrne
Mr Geoff Toomer	Deputy to Mr Clive Davidson

#### Seacare Management Group:

Mr Rod Pickette	Manager, Seacare
TBA	Assistant Manager, Seacare

#### Contact details:

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## New Notices

Notice No.	Date of Effect	Subject
01/2004	10 March 2004	Mileage Rates
02/2004	26 February 2004	Maximum level of benefits
03/2004	1 July 2004	Indexation

All Seacare notices are available from the Seacare website at: [www.seacare.gov.au/publications/notices/noticesInformation.htm](http://www.seacare.gov.au/publications/notices/noticesInformation.htm)

## Key Seacare Authority statistics and performance reports

The key message from the data in Table 1 below is that claims reported to AMICA and accepted claims are increasing relative to 2002-03. As accepted claims are a proxy for injuries, it suggests that there is an increase in injuries – by approx 17% - if the pattern in the first 6 months of 2003-04 continues in the second 6 months.

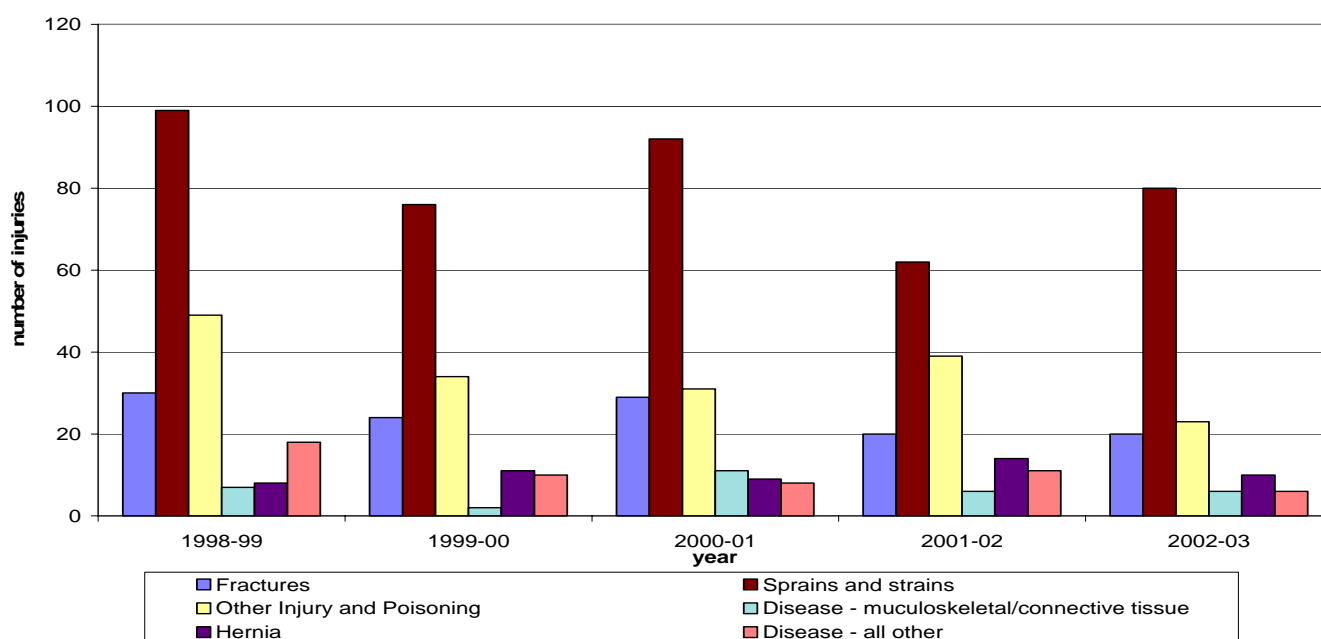
**Table 1: Claims data**

Claim type	1999-00	2000-01	2001-02	2002-03	2003-04 July – Dec	2003-04 estimate	% change over 2002-03
Claims reported to AMICA	182	204	169	163	99	198	+21.5%
Accepted claims	157	180	152	145	85	170	+17.3%
Claims rejected	25	24	17	16	3		
Claims pending	0	0	0	2	11		
Claims accepted - on duty	143	167	138	126	75		
Claims accepted - off duty	7	10	10	15	7		
Claims accepted – other, travel, study	7	3	4	4	3		
Claims accepted – 5 or more days duration	131	145	120	118	67		
Claims accepted – excluding property claims	156	180	150	145	85		
Work related fatality	0	0	0	0	0		

Source: AMICA

Note: Claims data are based on claims lodged with the employer and with AMICA during the reporting period (it is not based on the date of injury). AMICA updates the data for the previous reporting period, at the next reporting period, so the data for each reporting period can change over time. The extraction date for the July to September and for the October to December reporting period was 31 January 2004.

**Figure 1: Accepted claims by injury/disease type 1998-99 to 2002-03**



Source: AMICA

Sprains and strains continue to be the major injury type and have risen relative to 2001-02. However, most other injury types have declined relative to 2001-02.

