



14<sup>th</sup> September, 2017

## **Bulk Carrier caught underpaying crew**

The Australian Maritime Safety Authority (AMSA) has banned the Panama flagged bulk carrier *DL Carnation* for 12 months after the vessel was discovered keeping two sets of wage accounts, covering up the underpayment of crew.

On Friday 8 September AMSA received a complaint via the International Transport Workers' Federation alleging discrepancies in the payment of wages for the crew of the *DL Carnation*.

An AMSA surveyor attended the vessel in Gladstone and found that the ship was operating with two sets of wage accounts on board. One set of accounts showed the amount of pay the crew should have been receiving in line with their Seafarer Employment Agreements and the other showed what the crew were actually receiving.

A comparison of the accounts showed the crew were being underpaid in excess of \$17,000 USD per month with records found reflecting this back to at least April of this year.

The vessel was immediately detained for breaching the Maritime Labour Convention.

AMSA's General Manager of Operations, Allan Schwartz, said the keeping of two sets of accounts is extremely concerning.

"By maintaining multiple accounts of wages it demonstrates a knowledge and intent to not only withhold wages but to also actively deceive authorities," Mr Schwartz said.

"This is completely unacceptable behaviour and will not be tolerated in Australia."

AMSA received confirmation on Thursday 14 September that the outstanding wages had been received by the crew and the vessel was released from detention at 2:30 pm.

Upon releasing the vessel from detention AMSA issued the master a direction notice banning the *DL Carnation* from entering or using any Australian port for 12 months.

"For a first breach AMSA's response would normally be to detain the vessel until the problem is rectified," Mr Schwartz said.

"In this case, given the concerning existence of fake accounts and the intent to deceive authorities, AMSA has decided to issue a 12 month ban to the *DL Carnation* and will increase inspections for all other vessels belonging to this company."

"AMSA takes a zero tolerance approach to the mistreatment of crew and all vessels coming to our shores should be aware of the consequences."

"Shipping companies should be aware that AMSA has the power to ban entire fleets if we uncover systemic issues within an operation and will not hesitate to do so where deliberate non-compliance is uncovered."