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## ETF first contribution on the Future EU Maritime Policy

*The European Transport Workers' Federation (ETF) comprises 212 national trade unions set up in 39 European countries representing some 2 500 000 members. It represents the interests of workers in all transport modes and the fisheries sector. The ETF is the recognised social partner in seven European Sectoral Social Dialogue Committees including those for Sea Transport and for Maritime Fisheries.*

The ETF welcomes the Commission's decision to present a Green Paper on the Future EU Maritime Policy and the opportunity for an early contribution to the preparation of that paper. Maritime activities have an important role to play in a sustainable EU development strategy which promotes efficient transports and decent jobs and the respect for the environment. The growth potential that exists, justifies this exercise where employment related issues should not be a minor element in the Commission's approach. That is why the Social Partners in Maritime Transport jointly addressed the Commission calling for the inclusion of Commissioner Spidla, responsible for Employment and Social Affairs to be included in the core group of the task force.

When people talk of the Lisbon Strategy, many forget that there is an important pillar of that strategy which is the promotion of more and better jobs, in parallel with competitiveness and environment. We believe that a sustainable EU maritime policy must acknowledge the serious deficit that social and environment related matters have when comparing with competition and commercial matters.

Issues to be addressed include equal treatment, enforcement of the legislation, safety and security, careers, training and certification, employment conditions, amongst others.

### FOC's and Second registers

It is hardly a surprise that European seafarers have been dissatisfied with the way member states and the industry have conducted themselves in the last couple of decades when it comes to the employment of EU seafarers.

The extreme desertion from traditional flags to FOCs in the 1960s and 1970s was followed by an aggressive, but successful campaign by ship-owners for the creation of second or international registers in the 1980s and 1990s, with the same characteristics as FOCs.



President Wilhelm Haberzettl

1

Vice President Graham Stevenson

General Secretary Eduardo Chagas



The ETF condemns the creation of such registers, in particularly where they are used to prevent seafarers from exercising their collective and individual rights, to avoid compliance with both national and international legislation. In many cases, conditions applying on those registers can best be described by the words of the International Commission on Shipping (ICONS) which considered that –quote- “for thousands of today’s international seafarers life at sea is modern slavery and their ship is a slave ship”.

Also, the situation where EU shipowners have free and unregulated use of ships flying the flag of an EU member state with no EU seafarers at all within the crew is deplored. A growth of EU flagged vessels coinciding with a decline in the number of EU seafarers is a clear indication that the EU’s shipping policy (or its absence) is fatally flawed.

The competitive advantage from non-compliance with EU and international legislation under FOCs and second registers has been denounced by the OECD and introduces unfair competition and social dumping in detriment of those EU shipowners under first national registers who are committed to employing EU seafarers. We hold the firm view that unless the EU institutions and Member States are willing and prepared to address this issue seriously, no solutions will be found that will revert the decline of EU seafarers’ employment.

What is more we now see that some first registers are also taking the same road of deregulation. The ETF urges for an immediate stop in this trend. Only the promotion of quality shipping, including decent and attractive working conditions can ensure the EU shipping sector has a future.

## **EU discrimination**

ETF also calls on the EU institutions to bring to an end the discrimination between EU seafarers some shipowners and member states are practicing, by allowing employment of EU seafarers on EU flagged vessels on “home rates” rather than “flag rates”.

It is the view of the ETF that an EU seafarer who is legally working in another EU country is entitled to equal treatment under the EU law. The ECJ has confirmed that there is no exemption for the maritime sector on the application of the EU law on the freedom of movement for workers. “Non-discrimination” as regards wages and working conditions is enshrined in Article 39 of the EC treaty.

Therefore the so-called “residence” criterion, invented by some ship-owners and administrations, is irrelevant and cannot be used as a factor to impose discrimination.

ETF denounces and opposes current practices where seafarers have to struggle for their jobs on the basis of the lowest possible wages and working conditions.

We are appalled that the ship-owners have voiced their readiness to the unjustified dismissals of up to 20.000 seafarers from the new member states, if the European law is imposed on them.

Shipowners who wish to do that, or claim that they will only employ seafarers on discriminatory rates, should be pointed out and reminded of their public – and cynical – statements on the need to maintain maritime know-how in Europe.

### **State Aid Guidelines**

The ETF supports the use of State Aid Guidelines in the maritime sector. State aids are necessary to alleviate the unfair competition with unregulated flags, which do little or nothing to regulate and ensure compliance in their registers, and who allow unscrupulous ship-owners to exercise the worst forms of exploitation of seafarers.

The ETF has been positive in this process all the way through, and has acted alongside with other relevant stakeholders. We have recognised the importance of fighting unfair competition in the interests of all. But state aids have been agreed not only to favour the competitive capacity of the European maritime industry: they should equally enable and promote the maintenance of a European seafaring know how and employment.

Member States can avoid one of the main objectives defined in the 1997 guidelines, that is, the safeguard of EU employment, because the European Commission, following the 2003 revision, now defines Community seafarers as being “all seafarers liable to taxation and/or social security contributions in a Member State”, regardless of their nationality, except for those involved in scheduled passenger services between Community ports. EU tax payers’ money is therefore now being used to employ non-EU seafarers.

We also believe that there are insufficient training opportunities and a lack of provision of cadetships on board ships. The ETF would therefore suggest that definition to be revised in order to strengthen the link between state aids and employment of EU nationals.

The ETF in general also opposes access to State aids for vessels flying non-EU flags. We find it counterproductive to the interest of EU citizens that EU state aids are provided to operators who disregard the use of a EU flag and indeed the employment of EU seafarers.

### **Maritime cluster**

The ETF warns against the tendency to disguise the discussions on seafarers employment under the umbrella of the collective interest of the wider concept of “maritime cluster”. Although the ETF has some sympathy for the idea of bringing the maritime industry together with other stakeholders and support industry, we disclaim the argument that maritime employment should be seen regardless of the decrease in the number of seafarers which could be compensated by a certain number jobs generated ashore.

## **Recruitment**

It has been stated by ship owners and some member states that they face problems to attract young people to a seafaring career be it in the merchant marine or in the fishing sector.

ETF states that there is no evidence to substantiate that young EU nationals do not wish to seek a maritime career. We believe that this smoke curtain is created to hide the fact that shipowners and some member states are preventing young EU seafarers from joining a maritime career, by favoring the employment third country seafarers simply because they are cheaper. This is particularly true with regards to the employment of EU ratings but is also the main reason behind the worrying and growing shortage of European officers.

In our view it is meaningless to focus on the shortage of officers only, without focusing on the employment of ratings, as this could also highly contribute for reducing officers' shortages. Also on this matter we urge Member States and the European institutions to implement the Lisbon strategy pillar of more and better jobs and not close the eyes to exclusive profit led approaches.

## **Global regulation**

It is often repeated that it is important to keep regulation global and avoid regional or national regulation. The ETF agrees that shipping is a highly competitive industry and that a level playing field at global level is important. The ETF is closely following the ILO work for adoption of a consolidated convention for the maritime sector.

However, the EU cannot compete on costs and in particular on manning costs. It must be a priority in the future European Maritime Policy that the added value of the EU shipping sector is based upon quality, compliance and fairness, on the economical, social and environmental perspectives.

Brussels, 17 November 2005