



PAPUA NEW GUINEA MARITIME COLLEGE

14th March 2006

Mr Thomas Abe

Commissioner and CEO
Independent Consumer and Competition Commission
Angau Drive
Level 1 Garden City Complex
PO Box 6394
Boroko
NCD

Dear Commissioner

Re: Issues Paper – PNG Shipping Industry.

I write in response to the above paper on the PNG Shipping Industry, and in particular Section 4.7 – Crew Qualifications, Wages and Training Issues.

- 1. The Commission seeks comments from stakeholders as to the adequacy of training facilities within PNG. In particular, the Commission is seeking to understand whether or not the current training regime is sufficient to provide pilots, masters and crew capable of piloting and servicing the shipping industry at an appropriate standard.**

Response

The Papua New Guinea maritime industry provides vital communications for the PNG economy. In turn, the industry relies heavily on the training services provided by the College. This is an interdependent relationship: neither can survive without the other.

The International Maritime Organisation (IMO) is the world authority on Maritime Affairs, specifically to ensure Safety of Life at Sea, Protection of the Marine Environment, Maritime Security and the Training and Certification of Seafarers. Papua New Guinea is a member state of IMO. There are minimum standards of training laid down by the IMO, which seafarers are required to undertake before they are allowed to sail in any capacity on a vessel.

These requirements are set out in the Standards for the Training and Certification of Seafarers 1978, amended in 1995 (STCW95). This Convention is in force and requires all member nations of IMO to comply with these standards. There is a published list of Internationally Accredited Maritime Training Institutions, which the IMO recognises as providing world class training courses that meet its criteria as set out in STCW95. The PNG Maritime College is on this list as providing training to the highest Certification level (Class One Master or Class One Engineer), for any size of vessel trading anywhere in the world. This college is the only institute outside of Australia and New Zealand that is **internationally recognised** as providing this standard of training in the Pacific.

The PNG shipping industry has developed to the point where PNG seafarers are routinely manning international vessels trading from PNG to Australia and Asia. This **employment** is only possible for Papua New Guineans if they are properly certified, otherwise they are not acceptable to foreign states to which the vessels trade. The only practical source of internationally accepted maritime training for young Papua New Guineans is the PNG Maritime College.

The PNG Maritime College is an industry training institution: its entire design and purpose are primarily centred on providing educational services for Papua New Guineans intending to enter or already working in the maritime industry. This is a specialist industry recognised internationally as requiring dedicated industry training colleges.

As a consequence the maritime administration arm of the United Nations, the (IMO), has formally prescribed legislative requirements for all UN member states with respect to maritime training including the specific requirement for dedicated, specialist maritime training facilities and an effectively resourced (public) maritime administration. The PNG Maritime College fulfils the maritime industry training role requirement for Papua New Guinea as a signatory state of the relevant IMO Convention (STCW95).

The PNG Maritime College therefore provides practical competency based **industry training** for PNG and Pacific Island seafarers to standards set by the IMO and is bound by a number of Conventions which form part of the PNG Maritime Legislation. The STCW95 Convention was incorporated into PNG law under the STCW Regulations 2002. The PNG Maritime College is included in these regulations as being the only provider of this standard of training.

All seafarers have to undergo basic safety training, before they are allowed to serve on a vessel in any capacity. A ship at sea has no immediate contact with any of the emergency services should it encounter any hazardous occurrence, therefore, the only resource available to tackle such a situation is the ship's crew. The basic safety training covers fire fighting, first aid and survival. The training is very much practically orientated and students are required to demonstrate their ability to fight all types of fire, with the

correct equipment, both in an open area and an enclosed space, wearing breathing apparatus. Survival training includes launching and operating a lifeboat, inflation of liferafts, righting a liferaft which has overturned, donning an immersion suit and boarding a liferaft from the water. First aid deals with the treatment of cuts, abrasions, broken bones, artificial respiration (CPR) as well as precautions against HIV/AIDS. The total length of this basic safety training is two weeks and the PNG Maritime College trains in excess of three hundred seafarers per year.

Training is provided at the College in both Deck (navigation) and Engineering disciplines at all levels, which includes Ratings, and Class Five through to Class One Certificates of Competency. Class 4, 3, 2 and 1 are year long courses and approximately 120 students pass through the college on these higher grade courses each year. Ratings and Class 5 courses do not require the same depth of knowledge, and run from 7 to 20 weeks in duration. Approximately 160 students are trained at these levels each year.

The college also offers Officer Cadet Training Courses in both Deck and Engineering disciplines for Grade 12 school leavers. These courses operate over four years, and are a combination of college based training and practical sea experience. Graduates from the Cadet Training Scheme will qualify for a Class 3, Officer of the Watch, Certificate of Competency, which enables them to take charge of a Watch (a four to six hour period) either on the Bridge or in the Engine room, depending on the area of their training.

Over 90% of students attending the PNG Maritime College are sponsored by PNG Shipping Companies. A considerable investment is, therefore, made by the shipping industry itself to ensure that the people manning the vessels are adequately trained for their position of responsibility. This is absolutely essential to ensure a safe and environmentally focused industry that meets all the requirements of International, and National Law.

Self sponsored students attend the college with the financial support of their families and more often attend the Rating courses to gain entrance into the Maritime Industry. They will then seek employment with the Shipping Companies once the course has been completed. Some self sponsored students also enter the cadet stream, with the majority of them being employed by the Shipping Companies to gain their practical sea experience, which usually leads to full employment by the end of their course.

The graduates from the College will have been fully trained in all areas relating to the position of responsibility they will hold and the type of vessel they will sail on, from the smallest coastal trader to the largest international trading vessels. The Certificate of Competency Courses are further supported by vessel type specific, training, such as Tanker Safety Courses, Passenger Vessel Safety – including Crowd Management, and Roll on-Roll-off (Ro-Ro) vessel safety – particularly in relation to stability (the recent ferry disaster in the Red Sea off Egypt proves the necessity for this type of training).

Another area of Maritime Training in which the College is heavily involved is **Maritime Security**. The International Ship and Port Security (ISPS) Code was made compulsory to all member countries of IMO from 1st July 2004. This code applies to all ships and ports dealing in International trade. The College has developed and conducted training courses for Ship Security Officers, Company Security Officers and Port Facility Security Officers. The College is a Recognised Security Organisation under the ISPS Code and provided for by the Maritime Security Legislation of PNG.

The College is thus involved in all aspects of the **Maritime Transport Industry** from shipping administration, port operations and the training of seafarers. There are complex issues to be dealt with concerning the industry that, in our (and industry's) view, are best handled by an institute completely focused on maritime affairs and all the legal requirements to maintain compliance with IMO Conventions and Resolutions.

All of the above initiatives are a direct result of having a Maritime Training Institute entirely focused on providing effective, quality, and internationally approved training courses, which are also incorporated under national legislation. This training is essential for the PNG Shipping Industry to function effectively and the investment provided by the Shipping Companies is considerable. For a seafarer to complete training from initial entry to the industry through to a Class One Certificate of Competency takes a minimum of seven years, and then there is a time period required in gaining further practical experience on a vessel before the seafarer can be entrusted with the control of a ship and cargo with a value in excess of K50million.

2. The Commission is also interested in understanding the accreditation framework for pilots, masters and crew to perform these functions.

Response

The College has a specific function, and the qualifications provided are specific to the maritime field as laid down by STCW95. Certificates of Competency are awarded by the Department of Transport (soon the NMSA), based on the training provided by the PNG Maritime College and legislated for in the STCW Regulations of 2002, an integral part of the PNG Merchant Shipping Act as dictated by the International Maritime Organisation's Convention. All major seafaring nations are party to this convention and trade both on a coastal and international basis would not be possible without training being available to these standards. Training of pilots is an extension of this Certification regime, and a "State of the Art" Navigation Simulator is provided for training in Ship Handling for a number of types of vessel.

The Simulator complex consists of three “own ships”, each with a 120 degree bridge window display, full steering and ship speed controls, radar, electronic charts, GPS, VHF Radio, and the capability to take manual bearings of specific “targets”. Various ship models are available, each with their own handling characteristics, and different seaways are available in which to perform navigation and ship handling tasks. Ship models include, a Patrol Boat, Fishing Vessel, General Cargo Vessel, Container Vessel and Large Tanker. This is particularly important for Pilots, who have to guide a variety of types of vessel into and out of the Ports of PNG. At the end of training on the Simulator, each student is assessed on their competence in performing the required ship handling tasks on a variety of types of vessel.

The college also has a fully functional, total integrated Ship’s Engine Room for the practical training of Engineers. Machinery includes, a 900kW Main Engine, two 250KVA Diesel Alternators (for generating electricity), a steam boiler and all the auxiliary equipment required to support the main machinery. There is no other college anywhere in the Pacific (including Australia and New Zealand) which has this type of equipment.

All of the above equipment is approved by the IMO for the training of seafarers. The College has recently passed a five year external audit to verify full compliance with the STCW95 Convention. This information will now be sent to the IMO in London in order to maintain the ability of PNG seafarers to be involved in Coastal and International Maritime Trade.

The PNG Maritime College recently completed “Guidelines to Surveyors” under contract to the Secretariat of the Pacific Community, which provides a common standard throughout the Pacific to assist surveyors in carrying out Port State Control. This function is carried out by the Administration of the country (the NMSA for PNG) and ensures that vessels trading in its waters are to a required standard of construction and that the crew are trained to the appropriate level. The College will provide training courses for surveyors to enable them to carry out this important function, again to ensure the safety and adequate working conditions for the crew and the protection of the marine environment.

3. The Commission seeks comments from stakeholders on the issues of recognition of qualifications received in other jurisdictions.

Response

The College is also set up as the **Regional** Maritime Training Institute with the Secretariat of the Pacific Community (SPC). Outside of Australia and New Zealand the PNG Maritime College is the only college in the Pacific that offers courses up to Class One Certificate of Competency. Under the Regional Maritime Program of SPC, the College provides training to other Pacific Island Nations and also to East Timor. PNG is a member of SPC and the Principal of PNGMC is a member of the executive of the Pacific Island Maritime Association (PacMA).

The Principal, as part of a committee with members from all over the Pacific, is currently involved with the development of a uniform Certification Structure throughout the Pacific Region, enabling portability of seafaring qualifications between Pacific Island Nations. The STCW Convention also provides for the recognition of Certificates by other nations, but this is usually achieved on a nation to nation basis through a Memorandum of Understanding or other similar framework.

4. The commission seeks comments as to whether these requirements represent a barrier to new entrants entering the market,

Response

These requirements for Certification to International Standards are **essential** for a safe and efficient shipping industry, and represent the absolute minimum acceptable qualifications for maritime trade to be facilitated. Rather than a barrier, these requirements are designed to **ensure** that sub standard vessels with sub standard crews are not allowed to operate at unacceptably high risk factors with the inherent danger to life at sea and the marine environment.

Safety of Life at Sea and protection of the Marine Environment are fundamental to all aspects of the shipping industry, therefore, basic safety training cannot be ignored. The PNG Shipping Companies take their responsibility in these areas seriously, and will not employ persons who have not completed these minimum requirements. This type of commitment is reflected in the very few accidents that occur in the commercial shipping sector with vessels crewed by Papua New Guineans trained at the PNG Maritime College.

5. Other Issues

The **Papua New Guinea Defence Force** now utilises the facilities of the PNG Maritime College for training its naval personnel and through involvement with the Australian Defence Force, there are possibilities to expand the training to the Defence Forces of other Pacific Island Nations and East Timor. The Director General of Pacific Command (based in Canberra) has recently inspected the College's facilities with a view to recommending the expansion of the Defence Force Training Programs in Madang.

The PNG Maritime College has benefited from two major projects to upgrade its facilities to meet the requirements of these International Conventions, with a total investment of over K20million Kina from the PNG Government in partnership with AusAID. Both projects were completed on time, on budget and fully met the objectives set out in the initial proposals. The College is seen as one of the major successful enterprises that have benefited from this type of funding.

The PNG Government has recognised the necessity in providing maritime training to the highest standards, and the Shipping Industry in PNG and throughout the Pacific Region have been fully supportive of these developments. Future projects will include a Survival training complex to realistically simulate the conditions experienced when a ship is endangered at sea, and a new fire fighting complex to enhance the offering already provided by the college. The unique operating environment of seafarers on a vessel at sea, requires them to be trained to meet and deal with all eventualities, therefore safety training is always at the core of all the courses provided by the PNG Maritime College. Continued investment is required to achieve these aims, and this cannot be achieved without the full support of the PNG Shipping Industry.

I hope the above brief adequately answers the issues as set out in your paper, and I would be more than happy to expand on them further by additional correspondence or at a meeting if necessary. Please do not hesitate to contact me for additional information as required.

Yours sincerely

A handwritten signature in blue ink that reads "Richard Coleman". The signature is written in a cursive style and is centered within a light blue rectangular box.

Richard Coleman
Principal