



# The Porthole

Volume 16 No.8  
August 2016

The newsletter of the South Australian Branch of the Company of  
Master Mariners of Australia PO Box 1, PORT ADELAIDE, SA 5015  
Branch Patron: His Excellency the Honorable Hieu Van Le AC



## Branch Master's Comments

I look forward to seeing you and your spouses on Wednesday 31<sup>st</sup> August at 0930 for our exclusive tour of the Baudin Exhibition at the South Australian Maritime Museum. Please let our Branch Secretary know if you are attending this event. If you are unable to attend the Baudin tour, we look forward to seeing you at our regular Branch meeting at 1200 at the Largs Pier Hotel. Further details are inside this edition.

Saturday, September 3<sup>rd</sup> is Merchant Navy Day and we have received an invitation to join their commemorative march in Port Adelaide. For those who may be unfamiliar with the Port Adelaide area, the march starts at the Port Adelaide Information Centre which is in the building, adjacent to Black Diamond corner, in the old Police Station building. Again details are inside this edition. Merchant Navy ensigns will be flown on civic offices and at locations in the Port on that day.

Federally matters have been quiet with little to report.

In the past we have heard of the numerous jobs that will be created by the intention to drill for oil in the Australian Bight. Inside this edition are details of concerns raised by the Maritime Officers Association that most of these new jobs will be filled by non-residents on 457 Visas.

Best wishes,  
Paul P.

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## Speaker:

**Captain Paul Phillips will give a talk about the only two Victoria Crosses  
awarded to British Merchant Navy personnel.**

**The next Branch meeting will be held at  
the Largs Pier Hotel, 198 The Esplanade, Largs Bay,  
on Wednesday, 28th September 2016 at 1145 for 1200.**

**Please confirm your attendance at the lunch or register your apology before  
1200 on Monday, 26th September 2016 with**

**Ian Dickson (8396 1030)  
or  
Paul Phillips (0407 779 209)**



The Company of Master Mariners of Australia Ltd. is a Company established to promote and further the efficiency of the Sea Service generally, and uphold the Status, Dignity, and Prestige of Master Mariners in particular.

**The Company of Master Mariners of Australia Ltd., S.A. Branch.**

Branch Meeting at the Largs Pier Hotel, on 27 July 2016 at 1200.

Minutes

1. Opening & welcome to Branch members and guests. Meeting opened at 1200 hours.
2. Members present: Paul Phillips (Branch Master), Bob Buchanan, Eddie Carr, Ian Dickson, Phillip Hammond, Michael Hehir, & Tony Wynne, and Guests: Lachlan Graham (Guest Speaker) & John Thompson.
3. Apologies: Sir Eric Neal, Doug Bourne-Jones, Mike Carrington, George Carter, Nada Ganesan, David Holmes, Hash Jayasuriya, David Kemp, Alan Lydell, Chris Marshall, Mike Parsons, Roy Pearson, Howard Pronk, Peri Rajagopalan, Ragu Ratnathurai & Bob Westley.
4. Minutes of last business meeting: 29 June 2016 (circulated in the Porthole). Capt Phillips moved that the minutes are a true and correct record of proceedings. Seconded by Capt Hammond and carried.
5. Business arising from the minutes:

a) Speakers: July: Lachlan Graham, of Zoos SA, topic "Out of Africa"; a report of recent safaris in Namibia and the Kruger wild life park.

Visits: 31 August 2016 S.A. Maritime Museum - Baudin's Expedition to Australia Exhibition - **A provisional booking has been made for a guided tour of the exhibition at 0930 on Wednesday 31 August at a cost of \$12 per person, which includes the general admission to the Museum. After the tour, which lasts about an hour, there will be time for attendees to further browse the exhibits, or other sections of the Museum, before moving on to the Largs Hotel for the scheduled Branch Meeting. Guests are welcome.**

Suggestions: A visit to the Port Operations Centre, Outer Harbor Passenger Terminal, has been approved in principle, but the Branch Master has to finalise the details.

SA Health and Medical Research Institute.

b) *One and All* Bell No progress on re-engraving.

c) Lunch cost. As agreed at the last meeting, the cost of the luncheon has been increased to \$30.

6. Treasurer's Report:

Westpac Balance 21/06/16	2,163.22	Bendigo Bank Deposit Balance at 17/05/16	2,454.39
Income	18.52	Interest	<u>0.20</u>
Expenditure	<u>-260.80</u>	Bendigo Bank Deposit Balance at 21/06/16	<u>2,454.59</u>
Balance at 1/07/16	<u>1,920.94</u>		
		Bendigo Bank Term Deposit Re-invested for 9 months from 1/11/15 @ 2.60%	<u>7,230.98</u>

7. Membership:

Applications: Nil

Ratifications:

Applicant	Status granted	Branch
David Graeme BAYLISS	Associate	Queensland
Damian Paul O'CONNOR	Ordinary	Federal
Anthony ALLEN	Ordinary	Western Australia
Neville AMARIA	Ordinary	Western Australia
Iain John CURPHEY	Ordinary	Western Australia
Desmond Anthony O'CONNOR	Ordinary	Sydney

Branch Members:

Category	Number		
	Financial	Unfinancial	Total
Members	7	1	8
Seagoing members (incl. tug crews & pilots)	1	2	3
Retired members	13	2	15
Associate member	<u>2</u>	<u>1</u>	<u>3</u>
Total paying members	23	6	29
Honorary members	<u>4</u>	<u>0</u>	<u>4</u>
Total Levied Members	<u>27</u>	<u>6</u>	<u>33</u>
Life Members			<u>2</u>
Total Branch Membership			<u>35</u>

Reminders are being sent to the unfinancial members

8. Correspondence 18/06/16 to 15/07/16: A summary of inwards and outwards correspondence was tabled, and the Branch Secretary advised that, at its meeting on 20/07/16, the Branch Court received the inwards correspondence and endorsed the outwards correspondence.
9. Federal Matters:
- a) The Branch Master summarized the business of the Federal Court conference call on 7/07/16
    - 1) Membership: All outstanding membership applications have been ratified.
    - 2) Anniversary Book: The Court decided that no further work on this project will be undertaken for the time being. The previous editor, whose contract had been terminated, has not returned the material he was holding, nor has he replied to emails or returned phone messages. Attempts to recover the material will be undertaken by the Federal Secretary. When the material is recovered personal items will be returned to their owners, after copying, and the copies, together with all other items, will be archived pending a decision on future action.
    - 3) AGM & Congress: The 2017 AGM would be held in Sydney and the next Congress will be held in Fremantle in 2018.
    - 4) Constitutional amendment: The Court approved the amending of the Constitutional requirement limiting the 3 year tenure of the Federal Master, to permit extension of the tenure until the appointment of a new Federal Master.
    - 5) Redesign of website & Membership Data Base: The redesign of the website is on hold pending the Court's consideration of a quotation of \$2,900, obtained by the Federal Webmaster. Consideration is also being given to the possible establishment of a cloud based membership data base.
    - 6) Company ties: The Federal Secretary has purchased a quantity of ties, available for members at \$20 each.
  - b) Boulton Lecture 26/07/16: The 2016 Boulton Lecture was delivered yesterday in Fremantle by the Governor of WA, Her Excellency Kerry Sanderson, before an audience of approximately 100 persons from the Industry. The theme of the lecture was the development of the Port of Fremantle and the contribution by C.Y. O'Connor, who was behind the plan to clear the river mouth to allow ships to enter the Swan river and utilize the natural shelter for vessels. The lecture was followed by a light lunch, and the whole event was sponsored by Woodside Energy.





was only permitted with an armed escort. Apart from leopard, other animals sighted included cheetah, impala, painted dogs (African wild dog / cape hunting dog), elephant and white rhinoceros. Lachlan showed video of a cheetah being herded away by four giraffes.

The presentation concluded with some photos of a Zoos SA visit to the Kruger National Park in 2009 when zoo members assisted a veterinarian in performing a health check on an elephant, which involved tranquilizing the elephant and injecting an antidote after the health check was completed.

The group then assisted in the relocation of a white rhino to a different area of the park.



Lachlan mentioned that lion, cheetah, elephant, white rhino, giraffe, oryx and painted dogs are all part of preservation programs at Monarto, with cheetah, giraffe and oryx being in 'drive-through' enclosures.

At the conclusion of the presentation Lachlan Graham was thanked by Captain Hammond and presented with a bottle of Port.

—oo00oo—

*The following Press Briefing and accompanying letters are for Members information only. The Branch expresses no opinion in this matter and will not be taking any action. However, because of the nature of the matter, there is nothing preventing individual Members from contacting MPs and/or interested organisations, and, considering the consequences of the project's proceeding, perhaps the Government should welcome as much feed-back as possible, to ensure that it is acting in the best interests of the citizens it represents. Editor.*

*Representing the Professional and Industrial Interests of Employees in the Maritime and Stevedoring Industries and in Port and Marine Authorities*

## AUSTRALIAN MARITIME OFFICERS UNION

ABN 56 181 230 800



*Incorporating: Merchant Service Guild of Australia and Australian Stevedoring Supervisors Association*

5th Floor, Labor Council Building, 377 Sussex Street, Sydney || Postal Address: PO Box 407, Haymarket NSW 1240  
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### Message from Tim Higgs

#### BP Exploratory Drilling in the Great Australian Bight

The AMOU has been made aware of alarming developments in the manning proposals for the MODU 'Ocean GreatWhite' which will be drilling in the Great Australian Bight.

We are led to believe that 10 of the 12-person bridge team on the rig will be employed on 457 visas.

The attached briefing paper details our knowledge to this time.

We have written to Diamond Offshore and asked them to confirm the employment status of the bridge team and which industrial instrument they will work under.

We have also written to the Immigration Minister and put it to him that if it is intended to employ 457 visa holders on the bridge of the 'Ocean GreatWhite' then these visas should be revoked as we have unemployed Australians available to do this work.

We have also reminded the Immigration Minister that during the recent Election the Liberal Party confirmed to the AMOU that 'It is the firm view of the Turnbull Government that Australians should always have priority, and that overseas workers should be recruited only where suitably qualified local workers are not available.'

We are currently meeting with MPs and briefing them on these developments.

We will keep members updated with any further developments.

Stay safe.

Kind regards

Tim Higgs

**President**

# Australian Maritime Officers Union

## Great Australian Bight Exploration Drilling Program

BP Developments Australia Pty Ltd proposes to drill four oil and gas exploration wells in the Great Australian Bight.

The drilling area which is approximately 395 km west of Port Lincoln and 340 km southwest of Ceduna in South Australia has water depths ranging between 1,000 and 2,500 metres.

The project is scheduled to commence in the summer of 2016-2017, with each well taking between 45 and 170 days to drill.<sup>1</sup>

The wells will be drilled using a dynamically positioned semi-submersible mobile offshore drilling unit (MODU) – ‘Ocean GreatWhite’ which is owned and operated by Diamond Offshore. Diamond Offshore has one of the world’s largest offshore drilling fleets and is headquartered in Houston, Texas.

The bridge team for the ‘Ocean GreatWhite’ will comprise of 12 mariners (Master, Chief Mate, 2 Senior Dynamic Positioning Officers and 2 Junior Dynamic Positioning Officers).

Only 2 of these positions will be filled by Australians, the remaining deck officer positions will be filled by American and Polish workers on 457 visas.

While drilling the ‘Ocean GreatWhite’ will be supported by four support vessels working out of Port Adelaide.

The 457 visa program allows skilled workers to come to Australia and work for an approved business for up to four years.

A number of Government departments made a submission to a recent Senate Inquiry where they stated that the 457 visa program:

*‘...enables employers to address short to medium term workforce needs by sponsoring skilled overseas workers on a temporary basis to fill positions where suitably skilled Australian citizens or permanent residents cannot be found.’<sup>2</sup>*

It takes more than 10 years of formal training and sea-time for a seafarer to become a Qualified Master.

At 31 March 2016 there were 25 Ships Masters and 112 Deck Officers on 457 visas in Australia (137 total).<sup>3</sup>

At 31 March 2016 the AMOU was aware of at least 87 unemployed Australian Masters and Deck Officers - skilled, trained, experienced and waiting for work.

Master qualifications are essential for onshore roles such as harbour masters, pilots, vessel traffic officers, maritime safety inspectors and lecturers at the maritime training facilities.

Not allowing Australian Deck Officers to work in their local industry now means into the future our nation becomes ever more reliant on foreign workers to fill vital roles in Australia’s maritime activities.

Australia’s skilled migration program operates under two designated lists, one for the temporary skilled stream (Consolidated skilled Occupations List (CSOL)) and the other for the permanent skilled stream (Skilled Occupations List (SOL)).<sup>4</sup> Both lists include Ships Masters and Ships Officers.

Following a decision of the Government in 2013 Ships Masters and Ships Officers are not subject to Labour Market Testing.

Labour market testing means that employers seeking to access the subclass 457 visa program must first test the local labour market to ensure that there is no suitably qualified and experienced Australian citizen or permanent resident or ‘eligible temporary visa holder’ readily available to fill that position.<sup>5</sup>

To protect local Deck Officer jobs and to protect the integrity of our local maritime industry:

- The replacement of local workers by 457 visa workers should be prohibited;
- Ship’s Master and Ship’s Officer should be removed from the 457 Visa Skilled Occupations List and Consolidated Skilled Occupations List;
- Genuine labour market testing should apply to all situations where employers are seeking to engage 457 visa holders;
- If after genuine attempts by employers to find suitably qualified Australians to fill vacant Ships Master and Deck Officer positions, the AMOU should be involved in process to identify suitable candidates; and,
- Following this process if no suitable Australia Deck Officers are available foreign specialists may be engaged on a temporary basis with a stated maximum period of employment. An Australian seafarer must also be employed alongside foreign labour so that specialist skills can be passed on to local workers.

1 NOPSEMA - Great Australian Bight Exploration Drilling Program

2 The Senate Education and Employment References Committee A National Disgrace: The Exploitation of Temporary Work Visa Holders, March 2016, p.11

3 See www.data.gov.au accessed 12 May 2016

4 Op cit p.63

5 What is labour market testing?

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Dear Members

## BP Exploratory Drilling in the Great Australian Bight

The AMOU has started briefing Members of Parliament on our understanding that the vast majority of the bridge team on the 'Ocean GreatWhite' drilling rig will be 457 visa holders.

Last week we met with Shayne Neumann from the ALP who is the new Shadow Immigration Minister, Rebekha Sharkie from the Nick Xenophon Team (NXT) who is the new Member for Mayo in the House of Representatives and Senator Janet Rice from the Greens.

We have also met with Staff from the Office of the South Australian Premier Jay Weatherill.

All those we have met with agree that Australians should take priority over foreign workers and if suitably qualified locals are available to fill vacancies then they should be employed.

As well as raising the issues to do with the BP Exploratory Drilling we have updated the MPs on our campaign to remove our positions from the 457 visa skilled occupations lists.

All have given great advice on what next steps we can take to maintain the pressure to get Master and Deck Officer positions off these lists.

We have sought meetings with Immigration Minister Peter Dutton and Assistant Minister Alex Hawke, but to date our requests have not been responded to.

We are also seeking meetings with the Senate cross bench in the coming weeks.

The BP Drilling issue has generated a lot of interest among our Membership.

We have had a lot of great feedback from Members on our efforts and we thank you for all of your support.

We will keep members updated with any further developments.

Stay safe.

Kind regards

Tim Higgs

**President**

19 August 2016

—oo00oo—

## China's Hulking Spy Ship

August 25, 2016 by John Konrad



The Chinese Navy spy ship Yuanwang-5.

The Yuanwang (which means "Long View" in Mandarin) class of ships are used for tracking and support of satellite and intercontinental ballistic missiles by the People's Liberation Army Navy (PLAN) of the People's Republic of China (PRC).

The details are highly classified but the Yuanwang class are thought to have a displacement tonnage of around 21,000 tons when fully loaded, with a crew of about 470, a length of about 190 metres (620 ft), and a top speed of 20 knots.

The first Yuanwang ship was proposed by Premier Zhou Enlai in 1965, and the idea was personally approved by Mao Zedong in 1968. The first two ships of the class, Yuanwang 1 and Yuanwang 2, were built at the Jiangnan Shipyard in Shanghai and put to sea on 31 August 1977 and 1 September 1978 respectively. The Yuanwang-5 (pictured above) was launched in 2007 and the latest ship, the Yuanwang-7, was launch on July 12th, 2016.

Source: gCaptain 29/08/16

## World's first RIG spotting trip

Edda Accommodation is proud to announce a brand new travelling concept. For the first time in history it is now possible to witness the giants of the North Sea, live from our flotel Edda Fides. We have named it Edda Adventures.

Edda Adventures first arranged tour will be RIG-spotting. On these tours you will get to see some massive oil rigs, rigs that have made the Norwegian oil and gas business a success story and that has enabled the world's most advanced welfare system. The RIG-spotting adventure also allows you to travel with the flotel Edda Fides, which in itself is a unique experience. Never before have regular passengers been given the opportunity to live onboard such a vessel and to have first hand experience how offshore workers live and work.

### The trip

The journey will take you from the southern part of Norway and all the way up to Molde and Svolvær. The trip is divided into two (one day stop-over in Molde). Passengers who wish to take part from south to north, must remember to book both trips.

<b>RIG spotting North Sea</b>	<b>RIG spotting Norwegian Sea</b>
<p><b>Departure Haugesund:</b> 18 July at 20:00  <b>Departure Stavanger:</b> 19 July at 16:00  <b>Arrival Molde:</b> 22 July</p> <ul style="list-style-type: none"> <li>• Haugesund</li> <li>• Stavanger</li> <li>• Edvard Grieg</li> <li>• Johan Sverdrup</li> <li>• Balder and Ringhorn</li> <li>• Oseberg</li> <li>• Troll</li> <li>• Gjøa A</li> <li>• Molde (experience the annual Jazz festival)</li> </ul> <p><a href="http://www.moldejazz.no/2016/">http://www.moldejazz.no/2016/</a></p>	<p><b>Departure Molde:</b> 22 July at 20:00  <b>Arrival Svolvær:</b> 22 July</p> <ul style="list-style-type: none"> <li>• Molde</li> <li>• Nyhamna (sail-by)</li> <li>• Draugen</li> <li>• Kristin</li> <li>• Åsgard</li> <li>• Heidrun</li> <li>• Skarv and Norne</li> <li>• Svolvær</li> </ul>

### The vessel

Edda Fides is a state of the art flotel built in 2011 at Asterillos Barreras yard in Spain. The ship is specially designed for the oil and gas segment and is well known for its excellent performance. Advanced technology and engineering have made this vessel a success and you are now able to get to know all her features firsthand.

#### General information:

Built: 2011  
 Length: 130 m  
 Breadth: 27 m  
 Gross tonnage: 20 323 GT

#### Notifications

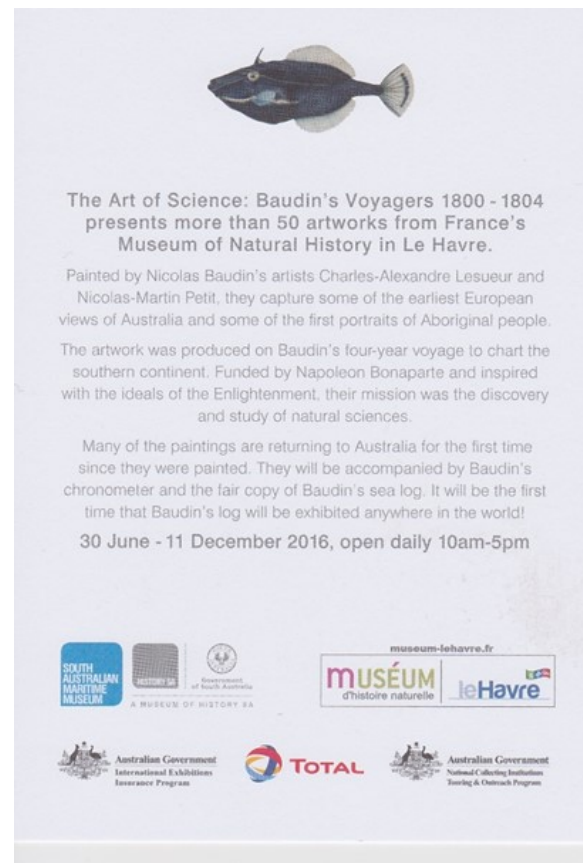
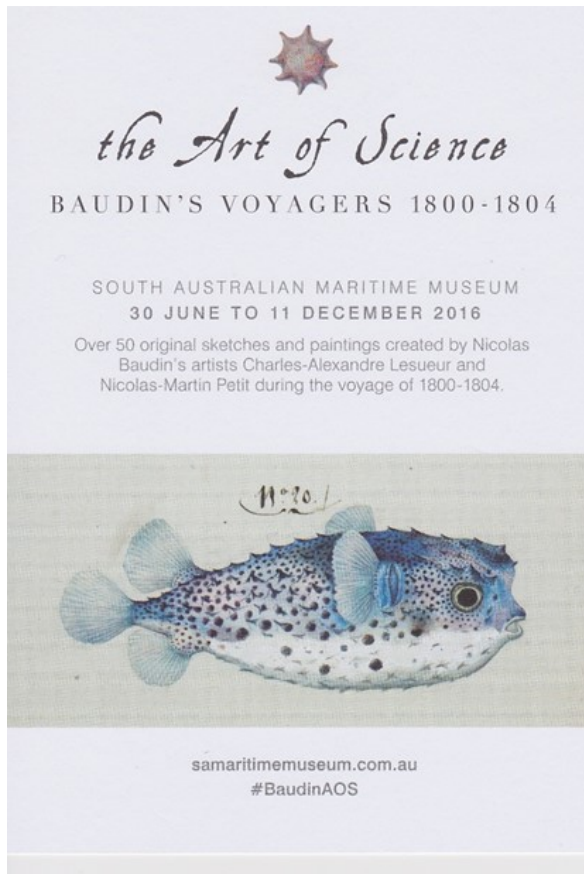
- All programs on board will be in Norwegian only. As the Crew speaks English all vessel related information will be given in English.

The vessel Edda Fides is an original offshore vessel and is not suitable for wheelchairs. It is not recommended for children below the age of 12.



*Too late for this year! Next year perhaps.....*

*Editor*



Our tour begins at 09:30 on Wednesday, 31 August 2016 and will cost \$12 per head. The tour will last about an hour, after which we will be free to continue viewing the exhibition and the exhibits in the rest of the museum.

—oo00o—

## England's Supreme Court hands down significant judgment on what constitutes a "fraudulent claim"

A team of HFW (Holman Fenwick Willan) lawyers led by Partner Jim Cashman, including Senior Associates Emilie Bokor-Ingram and Alex Kemp, successfully represented the owners of the *DC MERWESTONE* in reversing the Court of Appeal's decision which upheld that the rule on forfeiture of fraudulent claims be extended to apply to fraudulent means or devices.

In its landmark ruling, the Supreme Court has drawn a line between fraudulent insurance claims (which are fabricated or dishonestly exaggerated), and valid claims supported by embellished evidence.

### The background

The dispute concerned proceedings arising out of damage to the *DC MERWESTONE* (the vessel) from water ingress, which caused flooding to the engine room and incapacitated the vessel. During investigation of the owners' claim, an individual in the vessel's managers informed the underwriters' lawyers that the bilge alarm had sounded shortly after the ingress of water in the engine room, but that the crew was unable to investigate it due to adverse weather. It subsequently transpired that the individual's account of what happened was a "reckless untruth".

At first instance, whilst the Court found that the loss suffered by the vessel was caused by an insured peril, it upheld the underwriters' fraudulent device defence that the individual of the vessel's managers had recklessly given a false account of the circumstances surrounding the bilge alarm, which was intended to promote the claim.

At common law, if an assured makes a fraudulent claim on his insurer, the latter is not liable to pay the claim. The Court's decision was upheld on Appeal.

By a 4 to 1 majority, the Supreme Court reversed the earlier judgments and held that the rule on fraudulent claims does not apply to a "collateral lie" which turns out when the true facts are revealed to have been immaterial to the assured's right to recover.

Commenting on the judgment, **Jim Cashman**, Partner at HFW said: "The question the Supreme Court had to address was whether the claim would have been equally recoverable if the statement by the vessel's managers had been true or false. The Supreme Court recognised the difference between an assured who uses fraud in an attempt to gain something to which he is not entitled, and one who makes a reckless statement but stands to gain nothing beyond what he is legally due. The judge at first instance considered that forfeiture of the claim was disproportionately harsh, and I am delighted that common sense has ultimately prevailed."

For further information, please contact: **Jim Cashman**, Partner, on +44 (0)20 7264 8800, or email jim.cashman@hfw.com or **Tania Phayre**, Head of Marketing, on +44 (0)20 7264 8546, or email tania.phayre@hfw.com.

**NATIONAL MERCHANT NAVY DAY**  
**3 September 2016**

The Branch Master has received an invitation from the President of Merchant Navy Association of South Australia to join their members in a remembrance ceremony to be held in Port Adelaide on 3 September 2016 at 11:00. The received copy of the invitation is too indistinct to print, so the following is a transcript:

THE MERCHANT NAVY  
 ASSOCIATION OF  
 SOUTH AUSTRALIA

We invite you to join us on this Special day to honour all seafarers around the world.

MARCH STARTS AT 11.0am

JOIN US OUTSIDE THE PORT ADELAIDE INFORMATION CENTRE FOR  
 A SHORT WALK TO THE NAVIGATOR MEMORIAL TO HONOUR PAST  
 AND PRESENT SEAFARERS WHO SAILED IN THE MERCHANT.

We respectfully ask that you read and observe the accompanying letter [*copy following*] issued by the Merchant Navy Association of SA with regards to the formal and importance of this day to all our members and associations.

Sincerely

Philip Mason, President and Errol Ford, Vice President

Merchant Navy Association of SA



THE MERCHANT NAVY  
 ASSOCIATION OF  
 SOUTH AUSTRALIA  
 INCORPORATED



July 2016.

Dear Guests,

Enclosed is the resolution passed by our General Meeting on 20<sup>th</sup> September 2015.

It is as follows:

The Merchant Navy Association of South Australia Inc, at its General Meeting on the 29<sup>th</sup> September 2015 discussed our Merchant Navy Day and the following motion was passed unanimously by all present.

Declared as a National Day of Observance in 2008, our members wish to keep this day as a special memorial to all seafarers who sacrificed their lives in all theatres of war.

That our memorial service be free of any political references made by guest speakers on the day.

And the only Flags to be carried are as follows:

The Merchant Navy Flag (Red Ensign), the National Flag, and Flags of Allied Nations who served the Merchant Navy Association, which represents serving and ex seafarers from many nationalities.

Yours Sincerely,

Philip Mason. President.