Trip Notes to Accompany Crewing Study: Vanuatu, Solomon Islands, Kiribati, Marshall Islands, Federated States of Micronesia, Guam, American Samoa, and Fiji

> FFA Report 97/12 April 1997

R.D. Gillett

A Report Prepared in Conjunction with FFA Report 97/11, Employment of Pacific Islanders Aboard Foreign Fishing Vessels, under the Regional Fisheries Support and National Capacity Building Program funded by the United Nations Development Program

GILLETT, PRESTON AND ASSOCIATES INC.

# **Table of Contents**

Fiji	1
American Samoa (Pagopago)	6
Guam	11
Federated States of Micronesia (Pohnpei, Yap)	17
Marshall Islands	26
Kiribati	30
Solomon Islands	39
Vanuatu	44

### Notes on the Visit to Fiji to Examine the Crewing Situation

R.Gillett March 1997

In Fiji there are four categories of licenses and two areas for which the vessels are licensed. The number of vessels in each category and area (and number of foreign flagged vessels) are:

	Snapper	Pole/line	Longline	Purseseine
Offshore	1 (0)	6 (2)	28 (10)	0 (0)
EEZ	0 (0)	0 (0)	25 (25)	32 (32)
Total	1 (0)	6 (2)	53 (35)	32 (32)

The foreign flagged pole/line vessels are Japanese boats on long-term charter to PAFCO. The 10 offshore-licensed foreign-flagged longliners all have at least 30% Fijian ownership and are flagged in the United States (5 vessels), Honduras (3), and Japan (2). The EEZ-licensed foreign-flagged vessels are registered in China (7 vessels), the United States (3), Taiwan (3), Australia (3), Japan (2), Panama (2), Korea (3), and Honduras (1). The latter 2 nationalities are those that are under charter to PAFCO. Under the present licensing scheme, 16 additional licenses are available to PAFCO. None of the Taiwanese fleet fishing for PAFCO are presently licensed, although these boats are offloading fish in Suva. The licensed purse seine fleet consists of entirely of US vessels operating under the multi-lateral treaty.

About 60 Fijians are employed on the two foreign pole/line vessels, and no Fijians are thought to be presently employed aboard US purse seiners. According to Burns Philp Shipping Agency (the exclusive Fiji agent for crew for the Taiwanese vessels), the 16 Taiwanese vessels associated with PAFCO presently carry 18 Fijians (down from 25 a few years ago). Inspection of a selection of license applications gives information on crew composition for those foreign longline vessels licensed in Fiji. The four Korean vessels (3 Korean flag, 1 Honduras flag) carry 4 to 5 Fijians each, the Chinese vessels have exclusively Chinese crew, the US/Australian/Japan/Panama vessels each carry from 6 to 8 Fijians. The number of Fijian crew on vessels operating outside of Fiji must also be considered. According to the two Fiji-based Korean vessel crew agencies, a large portion of Korea longliners operating in the Pacific Ocean carry some Fijian crew (see below for reason). Although the two agencies are presently employing only 42 Fijians, others Fijian are working and were employed through the now-defunct Dae Young Agency, while others were employed through agents in Korea or directly by vessel operators. The total number of Fijians employed on Korean vessels was estimated by one agent to be 50, while the other agent and (independently) a Fijian crewmember estimated 200. Judging from interviews with Fijian crew in Pagopago, it is likely that some Fijians are working for Taiwanese vessels outside of the B.P. Shipping arrangement. In the past several Fijians were employed on US troll vessels fishing in the southern albacore grounds, but because the vessels do not presently spend extended lengths of time in Fiji and because of behaviour in port, few, if any, Fijians are employed in the fleet.

In considering the above, it is estimated that about 200 Fijian are employed on foreign locally based vessels (other than Taiwan/Korea), about 20 on all Taiwanese vessels, and perhaps 100 on all Korean vessels.

The crewing agent for the Taiwanese vessels is now B.P. Shipping, but formerly it was handled by the Shipping Officer at PAFCO. That person was contacted for his views. From

the early 1970s to the late 1980s PAFCO obtained crews from the villages in Ovalau Island for Taiwanese and Korean vessels. At that time there were 2 to 5 Fijians and 2 to 5 Vanuatu crew on each longliner supplying to PAFCO and the salary was F\$200 per month plus sharkfin money. In the late 1980s PAFCO divested itself of the management of vessels and crews and the work was taken over by B.P. Shipping. The PAFCO Shipping Officer felt on the basis of his experience that proper crew selection was critically important in the continuation of having Fijian crews on vessels.

Two Korean agents were interviewed. They both indicated the Korean policy of mixing crew in order to prevent solidarity of action against the captain. Crew is obtained from China (the majority), Philippines, Vietnam, Indonesia, Solomon Islands, Vanuatu, Fiji, and to a lesser extent Kiribati and Tuvalu. This was substantiated by discussions with crew and by examination of immigration documents. Both agents stated that the cost of crew from any of these locations is about the same, with China being slightly higher. Apparently the Koreans have opened a school for longline crew in China. The school is located in a region of China close to Korea ("Korean China", Yanpyum(?) City) where the language, customs, and food are similar to that of Korea. Due to the mixed crew policy, both agents thought that additional Fijians would be hired in the future; the 150 Korean longliners in the Pacific would require about a total of between 300 and 400 Fijians. They felt that Fijians are excellent workers at sea and their body size enables them to perform tasks which Asians are unable to do. High attrition rates and alcohol-related problems in port are disadvantages of Fijian crewmembers.

.

Both agents had substantial crewing experience outside Fiji: one had worked in the business since 1964, the other had worked for 10 years in Pagopago. They both felt that the best Pacific Island crew was presently Fijian. Vanuatu was good before but the quality had decreased remarkably recently and was attributed to the departure of the Japanese manager. Neither agent had a very high regard for Kiribati crew. They felt that training is a good idea, but its primary purpose should not be to teach longline skills which can be quickly learned on board, but rather to eliminate individuals unsuitable for extended sea dusty and to teach them the obligations and responsibilities of the contract they would sign.

A Fijian crew member was had worked on both Korean and Taiwanese vessels was interviewed. His preference was for Korean vessel employment due the greater degree of mechanisation. According to the crewmember, the major problem on the Korean vessels was the amount of fighting to occur both in port and at sea, with the participants usually being Korean/Indonesian and Korean/Vietnamese. The longer trips (10 to 11 months) did not seem to be a bother. The crewmember stated that one of the Fiji agencies pays US\$240 per month and the other US\$260 (both plus sharkfin sales which was US\$ 300 for his last voyage). The Fijian crewmember interviewed produced a recent contract.

### Features of the contract include:

- Contract is for period of year
- In the event the either party wishes to terminate the contract "a month's notice on pay in lieu of notice shall be given ton the other party"
- Wages are \$260 per month
- 50% of the wages are to be paid to a specified party, 50% are retained by the employer until fulfilment of contract. If the contract is "prematurely frustrated" by the employee the employer shall have the right to recover expenses including repatriation from the 50%.
- "Crews will be paid when departing Fiji until disembarkation from vessel on their own reason".

- Shore allowance of US\$40 shall be paid to each crew ember at the completion of each trip. In the case of the sale of shark fin, there is no shore allowance and the proceeds from the shark fin sale shall be shared equally among the crew.
- Crew shall work on Saturday, Sundays, and holidays during the fishing operation and a work day can "be up to 16 to 20 hours per day".
- Leave and "housing accommodation" provisions appear to be taken from the Fiji Employment Act.
- A pack of cigarettes per day is to be provided during the term of embarkation
- Contracted is to be attested by a government official before employee departs from Fiji
- Added note (from the Employment Act) stating contract must not exceed one year
  if the employee is not accompanied by his family.

A Fiji government Labour Officer was contacted to discuss aspects of the contract. From experience gained during the consultancy in other Pacific Island countries, two problems arise with respect to the enforceablity of the contracts: presence of responsible party in-country and assets of that party. According to the Labour Office, under Fiji's Employment Act, an agent for the employer is defined as being an employer (eg. a Fijian crewmember can sue the Fiji-based agent in a Fiji court as though the agent is the employer). There is however, no requirement that the agent shall have sufficient assets in Fiji to cover a major claim. Recently a Fiji crew returned prematurely from a vessel in India and they were attempting to sue the agent for wages and cost of repatriation, but apparently the agent's assets in Fiji are cognisably less than the claim. The labour officer also felt that the provision in the contract withholding 50% of the wages was not consistent with the Employment Act. He also mentioned that most crew contract disputes arose over (1) hours of work at sea (2) quarrels at sea (3) language problems between captain and (4) cost of repatriation. In his opinion very few of the Fijian crew really understood their contracts and when making complaints, usually spoke of the Captain being "unfair", rather that referring to specific provisions of the contract.

The cost of airfare for transporting crew is often referred to as a considerable expense, but some reference has been made to "seamen's discounts". Air Fiji Travel Service was contacted and it was learned that most carriers offer 25% discount from full excursion fares to seamen. In order to obtain this, seamen's papers and a letter from the agent must be presented. Air Fiji stated, however, that an economy excursion fare is frequently less than the seamen's discount.

### Persons Contacted:

Filipe Viala Observer Oceanic Fisheries Programme South Pacific Commission Suva, Fiji

Meli Qio [Fijian crewman on Korean longliners] Suvavou Suva, Fiji

Leoni Nagalu

[Fijian crewman on Korean longliners] Lami Village Suva, Fiji

Jim Santos Captain Pago-based US purse seiner *Taimane* 

Ambrose Orianiha'a SPC-funded Solomon Island observer f/v Hai Chang #11

Siosifa Fukofuka Observer Oceanic Fisheries Programme South Pacific Commission

Vanaisa and Asaeli Fijian Crewmembers Suva-based Taiwanese Longline

Steve Gargas Navigator US purse seiner *Auro* 

Darling and Joe Samoan Crew US purse seiner *Auro* 

Anare Raiwalui Licensing Officer Fisheries Division Suva

Angus Scotland Maritime Section South Pacific Commission Suva Tony Taiwan Ship Owner Lami

Captain (?)
US purse seiner *Diana*Suva

Yeom Jong Chul Tuna Pacific Agency Ltd. Suva

Kim Sung Soo CKP Fishing Company Ltd. Suva

Waisea Nalati Fijian Crewmember on Korean Longliner Suva

John Koso Solomon Island Crewmember Korean Longliner *Sami 7* Suva

Robert
Fijian Crewmember on Taiwan Longliner
Suva

Mitieli Baleivanualala General Manager PAFCO Levuka

Vula Walu Shipping Agent PAFCO Levuka

Luke Ramasina Manning Agent Burns Philp Shipping Suva

Sunil Deo Air Fiji Travel Service Suva

Notes on the Visit to Pagopago to Examine the Crewing Situation

R.Gillett March 1997

There are presently 40 Taiwanese longliners based in Pagopago. In addition, there are 3 vessels which are at least partly owned by Starkist, are flagged in Latin America, and have a Korean captain. Korean sashimi longliners, although not actually based in Pagopago, stop here ocasionally to sell albacore to the cannery and tranship other tuna to Japan. About 2/3 of the 32 vessels US purse seine fleet is based in Pagopago. Approximately 30 US albacore troll vessels offload seasonally to the canneries.

Fishing vessel arrival information for the months of Oct, Nov, and Dec 1996 was examined. It showed that:

Month	Vessel Type	Number of vessels in port during the month	
October 1996	Purse seiners	24 (23 US, 1 FSM)	
	Conventional longliners	13 (all Taiwan)	
	Sashimi longliners	3 (1 Korea, 2 unknown)	
	Trollers	6 (1 US, 2 Cook Island, 1 Sweden, 1 Belize, 1 unknown)	
	Freezer vessels	4 (2 Panama, 1 Japan, 1 Lim (?)	
November 1996	Purse seiners	22 (21 US, 1 Vanuatu)	
	Conventional longliners	8 (4 Tonga, 4 Taiwan)	
	Sashimi longliners	0	
	Trollers	3 (2 US. 1 Belize)	
	Freezer vessels	3 (2 Panama, 1 Japan)	
December 1996	Purse seiners	22 (All US)	
	Conventional longliners	s 6 (4 Panama, 2 Tonga)	
	Sashimi longliners	2 (Korea)	
	Trollers	5 (US)	
	Freezer vessels	1 (Panama)	

To determine the crew composition of the above vessels, three US purse seiners were visited, discussions were held with two Taiwan and one Korean agents, crew manifests were obtained for four Asian vessels, and Pacific Island crew were interviewed from three vessels.

The two Taiwanese agents independently contacted both indicated that there has been a large shift to Chinese crew. They said that virtually the entire Taiwanese fleet uses exclusively Chinese deck crew, with only a few Vanuatu ("only 3 or 4 working now out of Pago") and Fijian crew left. A new way of operating in which only one Pago port call is made per year with the other unloading being done on the high seas or in the EEZ of a French Pacific territory, may be a contributing factor. The agents feel that the most Pacific Island crew, after obtaining their shark fin money at the end of a voyage, either do not return to the vessel or when they do often fight. The deck crew contracts are now for a three year period and the agents stated that about 75% of the Chinese crew complete the period, whereas most Fijians leave after one voyage. The agents also mentioned that Filipinos now demand over-time for the very long work days.

The above does not entirley accord with information received from 3 Vanuatu and 3 Fijian crewmembers working on Taiwanese longliners. The Ni-Vanuatu state that there are at least 15 Ni-Vanuatu working in the fleet (according to agent records in Vanuatu, there were 30 in the fleet in September 1996). The Fijians indicated that there were about 30 Fijians presently working. It is interesting the the 3 Ni-Vanuatu had collectively spent 18 years on the longliners and all indicated they would continue to work. The Fijians interviewed had all spent less than one year, and all wished to return to Fiji as soon as possible. It appears as

though the Ni-Vanuatu and Korean receive the same salary: US\$250 per month plus a variable amount of shark fin money. On one recent 6 month voyage each Fijin crew received \$1056.

A 12 man Chinese crew traveling from Wuhan China to join *Yih Lien #1* in Pago (interviewed inflight) indicated their salary would be \$300 per month. It was evident from speaking to them that they were all very young, inexperienced seamen, and had high expectations for their work.

The one Korean agent interviewed indicated that the Korean sashimi longliners which ocassionally tranship in Pago have about half Korean crew, with the remainer largely Chinese and Vietnamese and some Fijian and Vanuatu men. He stated that the Chinese crew on these Korean vessels come from "Korea/China" (presumably an area of China near the Korean border) where the language is similar to that of Korea. He said the advantages of Pacific Islanders were strong and hard workers, but they drink too much in port. To increase the number of Pacific Islanders aboard the Korean sashimi vessel the agents had two suggestions, both of which concerned the manning agents: (1) the agents commission is presently exessive, about 50% (2) the selection process must be improved. The agent cautioned that the voyages are about 10 month in length, about twice that of the Taiwanese longliners.

Official American Samoa immigartion records for a selection of Asian vessels were examined:

Type Vessel	Name Vessel	Flag	Crew Composition (# men)
Conventional longliner	Tropac #71	Panama	Korea (captain, plus 4 men)
			China (5)
			Vietnam (7)
			Indonesia (7)
Conventional longliner	An Lung #6	Taiwan	Taiwan (captain plus 3 men)
			China (15)
Conventional longliner	Jin Fong Shuun	Taiwan	Taiwan (captain plus 3 men)
			China (26)
Sashimi longliner	Chance #803	Korea	Korea (captain plus 6 men)
			China (13 men)
			Solomons (2)
			Vanuatu (2)

Three US purse seiners were visited in Pago: Legacy, Proud Heritage, and Koorale. The Legacy presently carries 2 Western Samoans, the Proud Heritage 3 Western Samoans and 1 Tuvaluan, and the Koorale 3 Western Samoans and 2 Marshallese (this vessel was formerly in a joint venture with the Marshall Islands). It appears as though all of these vessels carry more Filipinos than Pacific Islanders and the reasons for this were similar to those heard previously: easier to hire because of crewing agent, less demanding than Pacific Islanders, less likely to quit before finishing a contract, more skills (welding, engine room, cooking, etc.), and less problems in port. It appears as though at least some the Pacific Islanders employed have been appreciated: the Tuvaluan on the Proud Heritage recently received a promotion to \$5 per tonnes and one of the Marshallese on the Kooralel is the skiff driver earning \$7 per tonne.

The one owner and three captans interviewed commented on formal training. They all felt that the "life saving and fire fighting" type courses they had heard about had little if any

relevance to their needs as employers ("cargo boat stewart skills") and they would not give any hiring preference to men who have completed such courses. Some of the vessel managers felt that a school which taught skills such as welding, hydraulics, outboard mechanics, and net mending would increase Pacific Islander employemnt on US vessels, but he one owner said they could teach those skills while on the vessel and formal credentials were of little value. Most of the managers agreed that a school with harsh discpline and graduating only those who had a strong desire and fast learning ability would be a good idea, but the managers were unaware of such an institution in the Pacific Islands. Opinions were split on the value of a Pacific Island crewing agency: Some felt it would be facilitate employement when the vessel was out of port and required crew, but the present system of watching the mostly W.Samoan offloading crew work and picking the best had its advantages. All managers were hesitant to "bring a total outsider that no one knew into the crew-family on the vessel". Two of the us purse seiners (Legacy and Proud Heritage) evidently were considered desirable vessels by crew and experienced little crew turnover. The managers of those vessels said they rarely take on crew unknown to them. It was also pointed out that with the declining number oif vessels in the fleet, there is presently a labour pool in Pago and reduced need to go outside. One manager offered the view that even the Filipinos hired were those known by the fleet ("recycled within the fleet") and the use of Mainila crew agency was becomming less common.

According to two Captains, each US purse seiner must carry three officers which are licensed by the US Coast Guard. On US vessels these position by law must be held by US citizens. In terms of promotion, the normal heirachy open to a Pacific Islander would vary between vessels but would usually be deck crew, speedboat driver, winchman, mastman, skiffman, and deck boss. Based in discussion held in Pago the starting salary for inexperienced Pacific Island crew is about \$1 to \$1.50 per tonne and ranges up to \$10 to \$13 for a deck boss.

The Pacific Islanders interviewed

Persons contacted:

Ho Zongshan and Gong Shidong Chinese crewmen [interviewed inflight Nadi/Apia], crew traveling to Pagopago from Wuhan, China]

Gordon Yamasaki Fishery Biologist National Marine Fisheries Service Pagopago Daniel Reis Captain US purse seiner *Legacy* Pagopago

John Joiner Captain US purse seiner *Proud Heritage* Pagopago

Matt Giacalone Navigator US purse seiner *Proud Heritage* Pagopago

Manuel Silva Owner US purse seiners *Legacy* and *Proud Heritage* Pagopago

Kalele Taleke Tuvalu crewman US purse seiner *Proud Heritage* Pagopago

Mr. Kou Manager Taiwan Ming Tai Co. Pagopago

Tsai Man-Tzer Manager Tong Sheng Ocean Enterprises Ltd. Pagopago

Mr. Lee Korean Deep Sea Ltd. Pagopago

Joel Albi
John Palo
Daniel Karai
Vanuatu Crewmen
Pago-basedTaiwanese Longliner
Pagopago

Tevita Koiniu Mesake Kaisuva Uraibauleka Fijian Crewmen Pago-based Taiwanese Longliner *Jai Yeou #6* 

# Pagopago

Peter Blackman Marketing Manager Southwest Marine Pagopago

Kata Feru Port Director Pagopago

# Notes on the Visit to Guam to Examine the Crewing Situation

R.Gillett Feb 1997

According the Harbor Master of Guam's commercial port, there were about 3,000 port calls by industrial fishing vessels in 1996. He indicated the vast majority were by longline vessels. There are about 33 shipping agencies which cater to the longliners and 6 catering to the purse seine fleet.

Individuals with involvement in the fishing business on Guam offered the following:

Vessel Nationality/Gear	Activity in Guam
US purse seiners	About 20% of the fleet is based in Guam
Taiwanese purse seiners	About 80% of the fleet makes port calls in Guam
Korean purse seiners	About 80% of the fleet makes port calls in Guam
Japanese purse seiners	No commercial vessels have stopped in Guam in recent years; Some port calls by training vessels
Okinawan longliners	20 to 30 vessels based in Guam
Japanese longliners	About 10 vessels per month stop in Guam for fuelling and picking up crew, but do not offload fish
Taiwanese longliners	200 vessels operate out of here during the season (April to September)
Korean longliners	Do not call into Guam
Japanese pole/line	Do not call into Guam

An important issue recently affecting Guam is the visa situation for non-US citizen on fishing vessels. In the past Guam had an exemption to the Nicholson Act which in effect allowed non-US citizens to enter Guam ports on fishing vessels without US visas. A new policy requiring visas was put into place January 1996 and since that time some Taiwanese and Korean crew have been detained. Although there is great confusion in the fishing industry, it appears as though the requirements for obtaining a visa have also become more stringent, especially for those foreign crew flying into Guam to join fishing vessels. In mid-January 1997 the American Embassy in Manila suspended accepting application for visas for Filipinos intending to fly to Guam for work on fishing vessels. The suspension will remain in effect until the new policy is clarified by the US State Department. Meanwhile, there is talk that the Guam-based vessels may have to pick up their crew in Yap or Palau. According to US Immigration and Naturalization Service regulations (TL:Visa-25;7-21-89), for visa purposes Guam is part of the United States while American Samoa is not.

A very informative discussion was held with a shipping agent who has a great deal of experience with the various fleets in Guam and who has worked with Ting Hong at several locations including Yap and in Pohnpei. The agent was able to compare the qualities of longline deck crew of the Indonesians, Chinese, and Filipinos.

Crew Nationality	Salary Arrangements	Main Advantage	Main Disadvantage
Chinese	Cost the vessel about \$500 per month of which crewmen receive about \$200 to \$250	Cheap; if on Taiwanese vessel, can speak a common language with the officers	Laziest of all foreign crew; Highest attrition rate, possibly because of booming economy at home
Indonesians	Intermediate between Chinese and Filipino	Learn fast; do not drink	Many of the crew arrive without any experience; language problems
Filipinos	Cost the vessel about \$600 per month of which crewmen receive about \$300 to \$350	Good workers	There have been several incidents where the captain has been killed by the Filipino crew; Quality of crew in recent years has deteriorated; Cause the most problems in port od any of the Asians

The same agent also was in Yap for Ting Hong when some Yapese crew was trialed. Two Yapese were placed on each of four boats. Most of those men quit after the first trip and all had quit before the third trip. The agent mentioned that the work ethic of the outer islanders was superior to those crew from Yap Island.

It is interesting to note that at least one of the fish packers at the Guam commercial port hires only workers from FSM. The manager feels their punctuality and industriousness are superior to that of people raised in Guam.

Crew nationality information was obtained from US Immigration Service documents from an agent specialising in US purse seiners:

Vessel Name	Pacific Island Crew
Daniela Z	2 FSM
Chloe	2 W.Samoa
Andrea C	1 Vanuatu, 1 Palau
Jennifer	2 FSM, 2 Samoa
Bonnie	2 FSM
Stella Maris	0

Two US purse seine captains/owners were interviewed (*Andrew C, Chloe*). Points of consensus between the two men were:

- They would hire more Pacific Islanders if it were easier to do so. They would like to see information on available men, their experience, and their skills. An agency would facilitate this.
- Training schools would be of value if they produced men with skills that are in demand: welding, wire splicing, sewing net
- Their experience with Filipinos has been generally good (good work ethic, low attrition); their experience with Chuukese has been generally bad (poor work ethic, high attrition).
- Contracts with Pacific Islanders should be for a one-year period with a provision that if the contract is broken (a) by the Islander (b) by the Captain for poor work ethic, the Islander pays the return airfare

In addition, one Captain mentioned that he has never had a problem with an observer. Because of this, he felt that thought should be given to applying whatever training observers received to fisheries schools for training purse seine crew. The other owner mentioned

some literature relating to providing crew had been mailed to him from some Pacific Island country, but "there was no follow -up", presumably with crew details or recruitment instructions. He also said that one comparative advantage for FSM crew the US fleet as opposed to Filipinos would be their exemption from US visa requirements to join vessels in US ports. That owner (like another one interviewed a few weeks ago) indicated that his Ni-Vanuatu was formerly on a PagoPago-based longliner. The owner felt that longliner experience is valuable on a purse seiner, but of the skills acquired on merchant ships, only engineering skills are directly applicable to purse seiners.

One of the Samoan crewmembers of a US purse seiner was interviewed. He has been working in the fleet for 10 years and originally got his job through a friend. At first he was dismayed at the amount of work to be done aboard (eg. 5 sets per day) but after while he became accustomed to the work. He says he has gotten 4 or 5 of his friends aboard various vessels and although they are Western Samoa citizens, all were resident of American Samoa at the time of initial employment. The Samoan crewmember claims that 7 or 8 skiff men in the fleet are Samoans and about 5 Samoans have made it to the deck boss level. His starting compensation was \$2.50 a ton "but that was then" and indicated the present rate for new recruits is \$1 or \$1.50 per ton.

The Filipino crew of one of the Okinawan longliners was interviewed. On his vessel (Taisei Maru No. 18) there is a Japanese captain and 8 Filipinos. The crewmember heard of the opportunity of working on fishing boats through a friend, contacted the Araw Agency in 1990, and was given a job on a Guam-based longliner despite having no fishing experience. He has worked with the same agency and with the same Japanese boat owning company for seven years. According to this crewmember, the present starting salary is results in a net pay of \$360 of which 20% is received in Guam and 80% is remitted to the Philippines. After a year of experience, the pay is increased to \$524. The most difficult part of the job for the crewmember is communication with the non-English speaking Japanese captain.

The Japanese owner of the Taisei Maru No.18 was interviewed. He felt that the Filipinos were adequate, but they tended to fight aboard and cause problems ashore. Indonesians cause less problems but their airfare is more expensive and they often arrive in Guam with no experience. The owner started hiring foreign crew about 10 years ago when Japanese domestic legislation was relaxed. He has never considered hiring Pacific Island crew and feels that work ethic would be a major problem.

The Korean captain of the purse seiner *Sajo Colombia* (ex *Bold Producer*) was interviewed using his wife as interpreter. The vessel usually carries 22 or 23 crew and now there are 15 Koreans, 6 Indonesians, and 1 Filipino aboard. He as never had any Pacific Island crew but has heard from colleagues that the Solomon Island crew is good. He occasionally hires crew in situations where crewmembers leave the ship due to accidents, but would have no idea how to hire a Solomon Islander should the need arise. He feels that if there were to be an agent handling Pacific Island crew he would consider hiring locals, but he stressed they would have to have purse seine experience. He stated that all the crew is on a salary and that a bonus of \$8 per tonne is divided among all crew aboard.

Additional information concerning the Indonesian and Philippine crewing agencies was obtained from agencies in Guam including the contact details for the Auxilia Agency (fax 632-7250925) and Gau Sheng Philippines (Fax 632-834-2413). Salary details were obtained from Jupiter Maritime Corporation which showed that in 1990 the cost to an employer of a deck crewmember was basic salary (\$286), standard 30% of basic salary as overtime (\$86), leave pay (\$24), extra overtime for longliner work (\$30) for a total of \$426 to

the crewmember. To this is added a \$9 employer contribution to a social security scheme, and \$80 per month agency fee, for a total cost to the employer in 1990 of \$515 per man per month. Salary details were also obtained from the Indonesian firm of PT Mekar Sinarmutiara. In 1993 that agency provided crew to Guam-based operators and the charges consisted of the crewmember's wage (\$450 to \$550 per month) plus a one-time agency fee which consisted of 6 components: government tax (\$130), airport tax (\$30) USA visa (\$15), Immigration process (\$50), Medical check up (\$45), transportation (\$50), and fee for tel/fax/documents (\$100) for a total of \$420. All of the charges appear to be inflated. For example, the Indonesian departure tax in 1993 was Rp25,000 or \$11.02 and the cost for the medical exam appear to be an order of magnitude larger than actual charges. This supports the contention of the manager of the YAP Fishing Corporation that the employment agencies over-charge.

On the flight from Guam to Majuro two Taiwanese Ting Hong Captains were interviewed with the assistance of an English-speaking Ting Hong refrigeration engineer. Their comments on crew nationality re-inforced that given by other Taiwanese that the Indonesian are considered better than Filipino or Chinese due to their fast learning.

### Miscellaneous points:

- For longliners, most often whole crews are hired, for purse seiners it is usually a case of hiring just a few individuals
- The perception by vessel operators of poor work ethic of the Micronesian countries of Palau, FSM, and the Marshalls may have adversely affected the employment prospects of other Pacific Island countries
- There is some chance that the high transportation expenses of some Asian crew and the high charges by their agents may result in some advantage for Pacific Islanders

#### Persons contacted:

Dorothy Harris [vessel statistics] Department of Statistics Guam

Masanami Izumi Japanese Consulate Guam

Mr. Chiu General Manager F.C.F. Guam Co., Ltd. Guam

Frank Santos Harbor Master Piti Guam

Oliver Seth Pacific Network Inc. Piti

# Guam

Minchin Ma Koueki Suisan Guam Co. Piti Guam

Steven NG Green Globe Fishing Agency Piti Guam

Bill Sousa Captain US purse seiner *Chloe* Piti Guam

Bobby Creighton Samoan Crew US purse seiner *Chloe* Piti Guam

Bill Estampador Maritime Agencies of the Pacific Inc. Piti Guam

Captain Kim Korean purse seine vessel *Sajo Colombia* Piti Guam

Anthony Castagnola Owner US purse seiner *Andrea C* Piti Guam Paramon Horiondo Flilpino Crewmember Japanese Longliner *Taisei Maru No.18* 

Chief Engineer [Japanese] Japanese Longliner *Taisei Maru No.18* 

Yonezi Natume Owner Taisei Marine Company Ltd.

# Notes on the Visit to FSM (Pohnpei, Yap) to Examine the Crewing Situation

R.Gillett Feb 1997

According to the Micronesian Maritime Authority (MMA), the numbers of vessels in various categories which are presently licensed to fish in the waters of FSM are:

Nationality	Purse seine	Longline	Pole/line
Japan	32	Ranges from 30 to 90 <sup>1</sup>	26
Korea	29	0	0
Taiwan	42 <sup>2</sup>	$0^3$	0
China	0	60 <sup>4</sup>	0
United States	32	0	0
Vanuatu (Taiwan-owned)	2	0	0
PNG (Taiwan-owned)	3	0	0
Panama (owned by Caroline Fishing Company)	3	0	0
Solomon Is. (Regional Agreement)	3	0	0
Kiribati (Regional Agreement)	1	0	0
Philippines	1	0	0
Total	148	90 to 150	26

Transhipment is carried out in all FSM states with Yap handing mostly the Taiwanese purses seiners and US purses seiners. Korean purse seiners appear to tranship more at Ckuuk, but at least some of that activity has transferred to PNG. Six seiners are presently at least partially owned by FSM interests: 1 seiner of the Yap Fishing Corporation (FSM flag), 2 seiners associated with Chuuk (US flag), and 3 of the Caroline Fishing Company (Panamanian flag). There are a number of longline operations in which there is some FSM ownership and the registry is Japanese, Taiwan, Belize, and FSM.

The issue of employment on foreign fishing vessels is unique in FSM. In the country there is a large public sector, subsidised economy, and relatively high wages resulting high expectations on the part of the available labour. The large number of foreign-owned locally-based vessels, as well as an increasing number of vessels owned by local companies together with the liberal immigration requirements have resulted in the importation of labour for fishing vessels from the low wage countries of the Philippines, Indonesia, and China. The important employment issue is not so much as the employment of local citizens on foreign fishing vessels as the employment of foreigners on local fishing vessels. The Micronesian Longline Fishing Company (MLFC) uses almost exclusively Filipino crew on its vessels which are locally registered. According to the former local Manager of the Yap Fishing Company which operated several FSM flagged vessels, more Filipinos were hired than FSM citizens for deck crew. Several local companies which have

<sup>&</sup>lt;sup>1</sup> Licensed on a trip basis. A total of 100 vessels are registered.

<sup>&</sup>lt;sup>2</sup> The number of vessel is likely to be reduced from 42 to 40 in April 1997.

<sup>&</sup>lt;sup>3</sup> Negotiations in near future are expected to result in 90 licensed vessels

<sup>&</sup>lt;sup>4</sup> About 35 are actually operating at present.

attempted to use Micronesian<sup>5</sup> crew on locally-based longliners experienced difficulties and are now employing Asians.

Discussion with several longline vessel operators and managers in Pohnpei and Yap led to the concensus that:

- While at sea the work ethic of Micronesians is just as good as the Asians
- While in port alcohol-related problems, social obligations, expectations of time off, and funerals result in a major decrease in efficiency of the Micronesians relative to the Asians
- Micronesian crew from the outer islands are usually the best
- In FSM it is easier and more convenient to hire Filipinos or Indonesians than FSM citizens because of the established employment agencies in those countries

Discussions with several Micronesian who presently or formerly worked on foreign fishing vessels indicate a concensus that:

- The men maintain a desire to return to sea someday
- It is difficult to locate to locate employers
- There are a large amount of social obligations ashore
- It is hard to discuss on-board problems with officers
- [for purse seiners] It is unfair that other nationalities are paid more

On the other hand, two purse seine operators in Yap offered the view that Filipinos were superior workers than Micronesians. One of these individuals indicated that "one out of seven Micronesians could be considered a very good worker, while only one out of ten Filipinos could be considered a poor worker".

Two of the established Manila-based suppliers of Filipino fishermen for vessels operating in FSM are Jupiter Maritime Corporation (tel 527-7621, fax 527-3633) and Nueve Services Company (tel 282-3474, fax 282-3426). Correspondence from Jupiter indicates that for deck crew the monthly salary consists of basic wage (\$286), fixed over-time (\$111), and leave pay (\$29) for a total of \$426 per month plus a bonus outside of the contract which usually involves the sharkfins. The one-way airfare from Manila is \$1304. Information from Nueve Services indicates they add a processing fee and an agency fee to the compensation received by each fisherman. The total monthly cost of a six man longline crew including a captain and engineer (the amount the Manila agency invoices to the vessel owner) is \$3267. The crew would also receive some sort of bonus that the owner would provide directly to the them. An interview with a 6-man Filipino longliner crew in Pohnpei suggested they were content with the work in FSM, although the hours of work was somewhat more that what they were expecting. Information from one FSM fishing company indicates that they are happy with the Manila crew agents and that the large number of such agencies and competition between agencies assures good/fair business practices. On the other hand, an FSM fishing company who has dealt with various Manila crew agencies for a much longer period feels they are quite dishonest and are constantly trying to cheat.

An attempt was made to collect salary information on Micronesian crew on local and foreign fishing vessels.

• Micronesian trainees aboard Japanese purse seiners receive no salary but a stipend of \$21 per day. After the trainee stage the Micronesian crew receive a

<sup>&</sup>lt;sup>5</sup> In the context of these notes on FSM, Micronesian refers to a citizen of FSM

starting wage of \$600 per month<sup>6</sup> and promotion can be up to the level of deck boss who earns about \$1600 per month

- The Caroline Fishing Company pays a base monthly wage plus an amount based on the tonnage of fish caught
- The Yap Fishing Company currently pays deck crew \$14.40 per day plus \$1.50 per tonne of fish for new recruits
- A 24 year old man who has been pumping petrol in a service station in Pohnpei for 3 years is presently being paid \$1.35 per hour and works a 40 hour week
- The Micronesians who work aboard the NFC/Okinawan longliners receive \$400 per month and no bonus
- The Chuukese deck crew aboard the vessel *NFC Pohnpei* stated they were paid \$204 per month plus \$2000 bonus per year
- The former local manager of the Yap Fishing Company stated that on YFC seiners the crew started at \$1.50 per tonne and could work up to \$5.00 per tonne for the deck boss. The former local manager also indicated that equivalent new Filipino crew received \$.50 more per tonne than the Micronesians
- A former crewmember of the Chuuk-associated seiner Bonnie stated he earned \$1.50 per tonne while equivalent Filipino crew received \$2.50. Partially on the basis of this inequity, he quit after 3 trips and is now employed by Casamar Yap working on nets
- The Micronesian deck crew of small longliners/dropliners based in Yap receive on the average \$240 per week for making week-long fishing trips to nearby areas

The Micronesian Maritime and Fisheries Academy (MMFA) is located in Yap and has trained around 200 individuals. There was originally substantial Japanese involvement in the school. Through OFCF, instructors and equipment were provided to the Academy and the training was largely oriented to work on Japanese longliners and purse seiners. The course included 200 hours of Japanese language instruction. According to the present Director, there has been a change of emphasis and the Academy is now oriented to producing well-rounded graduates who have received instruction in a wide range of topics. The entry-level deckhand course (42 components) is followed by either the skipper course (37 components) or the engineer course (34 components). The primary objective of the Academy appears to be the production of individuals who are capable of operating small and medium locally-owned fishing vessels. Secondarily, they wish to provide their graduates with the skills which are in demand on foreign fishing vessels. The Director indicated that much attention is focussed into cultural aspects of Micronesians working on foreign fishing vessels, with the idea that it is important to prepare their students for living in another culture which may seem hostile at times. Funding is now provided to the school through Pacific Missionary Aviation (PMA), the Government, and through various grant programmes. There are presently three full-time and 6 part-time instructors.

very little According to the Director, the Academy has involvement recruitment/employment activities for their graduates as this is outside their mandate. Because of communication problems due to the isolated areas where they graduates live, it has not been possible to carry out a comprehensive analysis of the current status of their graduates. In response to a recent request from NFC, the Academy provided the available information on status of the 36 students to attend in 1995: 10 students obtained work on US purse seiners, 5 students did not finish the course, one returned to MMFA for an advanced course, one returned to teach at MMFA, one worked as a school teacher, and the status of the remaining 18 is not known. Discussions in Pohnpei with the management of the

-

<sup>&</sup>lt;sup>6</sup> A second source indicated the starting wage is \$840 per month

Caroline Fishing Company indicate that 2 graduates of the MMFA have been hired to work aboard the 3 seiners owned by the company. One is still employed and one was dismissed for alcohol-related problems. According to the company's accountant "both were good on the job, but one was a drunk".

The only relationship of the Academy to operators of industrial fishing vessels appears to be that with GS Fisheries, a company which manages the purse seiner owned by Yap and three other seiners. According to the MMFA Director, GS fisheries have given work to 21 MMFA graduates. Discussion with the management of Yap Fishing Company indicates that 21 was the total number of MMFA students employed by both YFC and GS fisheries and that only 6 or 7 are currently employed.

The relationship between the Academy and industry is markedly different than that of the Fisheries Training Centre in Kiribati. On the basis of limited discussions with the Director of MMFA and some of his staff, it appears as though the Academy could benefit from addition input from the fishing industry with respect to designing cirriculum, teaching expertise, and job placement. This may be especially in the future as two of the largest FSM fishing companies (NFC and MLFC) have indicated that in future there will be little emphasis on training Micronesian crew, but rather on striving to achieve commercial success.

There is presently a employment scheme involving the Japan Far Seas Purse Seine Fishing Association (Kaimaki), OFCF, and the FSM government agencies (MMA and various state entities). Although MMFA was originally involved, it no longer participates directly in the scheme. In July 1990 group training began and October 1990 Kaimaki began employing trained Micronesians. By January 1997 a cumulative total of about 70 FSM citizens had been trained and placed aboard Japanese purse seiners. Japanese sources indicated that of the first 26 Micronesians placed aboard, 11 individuals guit before the end of the first fishing trip necessitating vessel diversion for offloading. This high attrition rate resulted in corrective action which now includes compiling information on the reasons for quitting, more emphasis on screening, accepting for training individuals with a relationship to existing Micronesian crew with the hope of the new crew being well aware of the hardships, concentration on Kosrae crew which has shown the highest success rate, and port calls at Kosrae so that families and possible future crew could visit the vessels. It also appears that a policy was introduced in which at least 2 Micronesians were placed on each vessel. In May 1996 the employment history of 55 crew was analysed. Reason for discharge included resignation (9 men), "give up" (5), disappearance (3), heavy drinking (3), expulsion (2), homesickness (1), and "escape" (1). According to MMA staff, there are presently 45 Micronesians working on the boats, including 10 trainees. Seven of these men have been in the scheme for more than 2 years with two serving for 74 months.

An attempt was made to estimate the number of FSM citizens presently working on foreign flag vessels:

- Available information suggest the only foreign longliners to currently employ FSM citizens are the locally-based Okinawan vessels which now have 3 Micronesians aboard.
- During the 7th licensing period of the US multi-lateral treaty (2 years ago), a survey
  was carried out by FFA on the nationality of the crew of 35 of the 47 vessels in that
  fleet. It showed that 9 FSM citizens were employed on those 35 vessels. On the
  basis of recent conversations with vessel operators, shipping agents, Casamar
  staff, MMFA records, and relatives of crew presently employed, it appears as
  though at least 20 FSM citizens are now working on the 32 vessels currently in the
  western Pacific US purse seine fleet.

- According to the MMA, the Japanese purse seine fleet currently employs 45 FSM citizens
- 19 of the crew of the 3 Panamanian-registered purse seiners of the CFC are FSM citizens
- No person contacted during the visits to Pohnpei and Yap was aware of any Micronesians to have ever worked aboard Taiwanese or Korean purse seiners

In considering the above, it appears that about 85 FSM men are currently employed on foreign fishing vessels licensed to fish in FSM waters and all but 3 of these are on purse seiners.

On the basis of the above employment pattern and the previously discussed salary information, it appears as though a net salary of about \$600 per month is required to attract crew to work on foreign fishing vessels. A straight comparison of wages, however, ignores the social considerations which could easily be more important. Nevertheless, the \$600 threshold appears to be about two or three times the wage for semi-skilled labour ashore.

It should be noted that the above estimates of employment on foreign fishing vessels does not consider those FSM citizens working in Hawaii on Hawaii-based vessels. Numerous Micronesians, especially those from Mokil in Pohnpei State<sup>7</sup>, are now working aboard US flag longliners out of ports in Hawaii. This employment, however, appears to be in a different category than work aboard foreign vessels in the Pacific Islands area; those Micronesians working in Hawaii may never return to FSM and the fishing job is likely to be the first step in the process of becoming a permanent resident of the United States.

Anecdotal information was obtained on the employment on the Taiwanese seiner *Fong Soeng 777* currently transhipping in Yap Harbour from the American helicopter mechanic aboard. He indicated the crew consisted of himself, a Norwegian helicopter pilot, Taiwanese officers, mostly Chinese deck crew with a few Filipinos (28 total). He heard from the owner's representative that the vessels was experiencing great problems in recruiting crew for the wages being offered. For about \$400 the only crew available were the "mountain people". He said the vessel was amazingly dirty including cockroaches in the food and rats. Features such as the Captain's shower water draining to lower decks for use by the crew were common. Although the mechanic was treated politely by the crew, they were very rough among themselves with occasional fights, the recent one involving an altercation with the Filipinos aboard. Only one of the Taiwanese officers spoke any English.

Information from individuals familiar with the seiner transhipment in Yap suggest that the Korean seiners use mostly Koreans with some Filipinos. They are cleaner those from Taiwan but the behaviour of the Korean crew towards non-Koreans is more aggressive. MMA has indicated that both Korea and Taiwan have offered crew training to Taiwan, and this is being considered by the FSM government.

The commercial fishing companies did not wish to present their crew contracts for scrutiny and most of the crew interviewed had not retained their contracts. The Filipino crew had their contracts on board with their personal possessions, but were reluctant to produce them for examination. The Yap Fishing Company indicated that their contract with crew consisted of a verbal agreements and an information sheet for the crew.

Lessons learned:

-

<sup>&</sup>lt;sup>7</sup> A Mokilese official stated that at least 30 men from his island have departed for longline jobs in Honolulu

- If it were easier to hire a Micronesian (eg. having a local employment agency) more would be hired
- Contact with industry is essential to assure relevance of training and employment for graduates
- At the present time work on Korean/Taiwanese seiners does not appear attractive to Micronesians; work on longliners of any nationality does not appear attractive

### Persons contacted:

### <u>Pohnpei</u>

Bernard Thoulag Director Micronesia Maritime Authority Pohnpei

Eugene Pangelinan Deputy Director Micronesia Maritime Authority Pohnpei

Ray Clarke Fishery Development Specialist National Marine Fisheries Service Honolulu

Gerald Russo Chief Operating Officer Micronesian Longline Fishing Company Pohnpei

Peter Sitan President National Fisheries Corporation Pohnpei

Jack Singrah Kosrae Sea Venture Kosrae

[6 Filipino fishermen] Crew F/V Pakin Pohnpei

Mark Tickel Operations Manager Micronesian Longline Fishing Company Pohnpei Albert Rodriquez Accountant Caroline Fishing Company Pohnpei

Hajimu Maekochi Japanese vessel liaison officer National Fishing Corporation Pohnpei

Chris Friberg
Formerly of National Fishing Corporation
Formerly of Casamar
Pohnpei

Toshiyuki Rudolph formerly in Guam-based tuna business formerly in Pohnpei EDA Pohnpei

Chuukese crew of f/v *NFC Pohnpei* Main wharf Pohnpei

Immigration Officers Pohnpei

Judith Swan International fisheries lawyer Swan Sea Waverly, Canada

### Yap

Jim Sousa Vice President GS Fisheries San Diego

Robert Petersen Director Micronesian Maritime and Fisheries Academy Yap

Wilfred Soumwei former student and present instructor Micronesian Maritime and Fisheries Academy Yap

Andy Tafileichig former manager Yap Fishing Corporation Chief, Marine Resources Management Division Yap

Tom Tamangmow Manager Casamar Yap Yap

Rox Tamag
Former Crewmember
US seiner Bonnie

Patrick Peckalibe
Assistant General Manager
Yap Fishing Authority
Yap

Immigration Officers
Yap

Barbara Bluemel Receiver Yap Fishing Company Yap

American helicopter mechanic Taiwanese seiner Fong Soeng 777 Yap

# Notes on the Visit to the Marshall Islands to Examine the Crewing Situation

R.Gillett Feb 1997

At the present time the Marshall Islands has access arrangements with the United States, Japan (longline, pole/line) and with private companies such as the Taiwanese company Ting Hong. Few, if any, Marshallese crew are employed by the Asian fleets<sup>8</sup>.

During the 7th licensing period of the US multi-lateral treaty, a survey was carried out by FFA on the nationality of the crew of 35 of the 47 vessels in that fleet. One Marshall Islands national was among the 630 people employed on the 35 US seiners sampled. It is thought that this individual could be a remanent of the local crew employed on the seiners once owned by the Marshall Islands. A subsequent to Pagopago in March 1997 revealed that the US seiner *Koorale* employs 2 men from the Marshall Islands.

The Japan boats apparently use Majuro to pick up foreign crew. In the past Filipino and Kiribati crew have been flown into Majuro to join longline and pole/line vessels which have made a quick port call without discharging fish. Efforts were made by Marshall Islands Marine Resources Authority (MIMRA) to obtain immigration records on the crew of arriving/departing fishing vessels, but these were not available prior to departure from Majuro

The Ting Hong Company of Taiwan presently has 25 Taiwanese longliners and 17 Chinese longliners based in Majuro. It was reported that the company has operated in Majuro since 1993 and the number of boats has declined from 70 a few years ago to the present 42. The Chinese boats mostly have about 8 crewmembers (about 136 men total), all of whom are from China. The nine Chinese vessels in port on February 17 all were named Yue Yuan Yu (followed by a number) and registered in Guangzhou, China. Information from the Captains of Taiwanese vessel indicate the Captains are usually the boat owners and the crew are usually relatives. The local dialect spoken aboard is reportedly not even understood by Chinese from other regions of mainland China. An SPC observer has recently completed a 14 days trip and will soon depart on another similar voyage.

Of the 25 Ting Hong Taiwanese boats based in Majuro, 6 were in port on February 17. One MIMRA licensed examined indicated a vessel size of 63.12 grt. Apparently the Captain and Engineer on all boats are from Taiwan with the deck crew from Philippines, Indonesia, and China. Information was supplied by Ting Hong on 23 of the 25 boats. It was indicated that there are 10 Filipinos (5% of total deck crew), 104 Indonesians (51%), and 89 Chinese (44%). A total of 203 deck crew are employed aboard the 23 vessels by TingHong in addition to the 46 officers from Taiwan.

The Fisheries and Nautical Training Center (FNTC) operates under the Marshall Islands Marine Resources Authority (MIMRA). Since establishment in its present form in 1992, 51 students have finished the Center's nine-month course. The FNTC has advertised in regional magazines and has a home page on the Internet. It has recently established contact with the US Tuna Foundation which indicates that the lack of trained Marshallese is the reason that they have not been employed on US purse seiners. At least partially in response to this, the Center is now attempting to recruit an instructor experienced in both longlining and purse seining. A status report produced by the Principal at the end of November 1996 shows eight Center graduates have obtained employment, all in Hawaii on longline vessels

-

<sup>&</sup>lt;sup>8</sup> It should be noted, however, that immigration records of the Federated Sates of Micronesia giving the numbers of people entering on fishing vessels show that 6 Marshallese passed through Yap Harbour in November 1996.

owned by Mid-Pacific Fishery Company of Hilo. Recently, Pacific Ocean producers of Honolulu has employed other graduates on Hawaii-based longliners and the total employed has now risen to 12. It is anticipated that in the near future additional men will be sent to San Diego and Seattle. The Principal indicated that one comparative advantage hiring Marshallese is their visa-free employment access to the United States. He said that this created a condition that some Marshallese considered sensitive (employment on foreign vessels overseas, but not in the Marshalls), but the Principal considered it merely a situation of seeking out the most favourable opportunity.

FNTC charges a tuition of \$1340 for the nine-month course and some scholarships are available from local governments. A \$300 placement fee is charged for locating jobs for the graduates. The Center uses a standard contract for employment of its graduates which it modifies slightly depending on comments from employers. Features of the contract include:

- The Center (acting as the employment agency) is not a party to the contract
- The period of employment is for 6 months
- Hours of work determined by instruction from Captain
- Place of employment is the United States or other place as the employer may direct
- The employer shall withhold \$300 from the wages of the employee to offset the education cost of the employee
- The contact details from the employee for notification in case of accident or death are listed
- Employer to pay transportation expenses from point where hired
- Salary to be based on catch per voyage after expenses and, if employed ashore, at set amount per hour (unspecified, amount to be filled in)
- Employer to provide insurance for death and permanent/partial disability
- Employee entitled to transportation back to his point of hire upon completion of one vear of service
- Employee entitled to 14 days paid vacation upon completion of one year of service
- If employment is terminated due to resignation of employee prior to completion of one year of service, the employer shall furnish transportation back to point of hire providing employee gives the employer 30 days written notice
- Employer may terminate employment if employee for any reason is unable to perform contracted services and employer shall have no obligation to continue payment of salary and contract can be terminated by employer if inability shall continue for more than 5 days
- No promises or understandings exist other than that listed in contract

Detailed employment information was obtained from two Indonesian crew presently working on a Taiwanese vessel based at Ting Hong in Majuro. Prior to joining TingHong, the individuals concerned had a few months of longlining experience on a Chinese vessel based in Bali. The crew heard about the TingHong opportunity through a friend and then they contacted Mr. Yosep at PT Malindo Mitra Perkasa, JI P. Jayakarta, Lantai II. No.16, Jakarta-Kota (tel: 62-021-649-4664). The agency was formerly called Manpower Supply. The crew were given a one-year contract and flown from Jakarta to Guam where they joined the fishing vessel which proceeded to Majuro. Their salary consists of a monthly wage plus a flat bonus per trip, with each trip lasting about two weeks and a few days bewteen trips. For Indonesians on their first one-year contract with TingHong at Majuro the rate is US\$240 per month plus \$60 per trip which equates to slight less than \$360 per month. For the second one-year contract the rate is \$310 plus \$160 per trip, and finally for the third contract they receive \$350 plus \$100 per trip or slightly less than \$550 per month. The individuals

interviewed send the base salary home to Indonesia and keep the bonus for spending money in Majuro. Both Indonesians plan on returning back to Majuro after a break in Indonesia due to the steep rise in pay for their next contract. In Indonesia they would receive Rp 300,000 per month plus Rp 10,000 per tonne bonus (40 day trips, 5 tonnes per trip) which equates to about US\$175 per month. They maintain that the Chinese crew aboard the Taiwanese vessels in Majuro are paid a monthly salary of US\$190 plus a trip bonus of \$40 per trip or slightly less than US\$270 per month.

An ADB consult presently working in MIMRA stated that, on the basis of experience with contracting Indonesian fishing crew in several countries, the total cost of the crewmember to the vessel operator is about 2.25 the amount of pay received by the worker. He also mentioned that, with proper credentials, seamen can travel for about half of the prevailing economy airfares.

Two Taiwanese captains were interviewed using the Ting Hong Deputy Manager as a translator. Both captains expressed the view that, regarding the nationalities of the foreign crew presently being used (Chinese, Indonesian, Filipino), there are few generalities that can be drawn with respect to work ethic. "All that counts is hard work and this does not depend on nationality". They have not noticed that any particular nationality has a higher attrition rate than others. Crewmembers who are dismissed by one Captain are offered to other captains before being sent home. The only strong feelings that the Captains had with respect to nationality was that the foreign crew should not all come from one country. Having more than one nationality prevents the crew from acting collectively against the wishes of the captain. In other words, solidarity amongst the crew is less of a problem with different groups aboard. Although the captains have worked in several other Micronesian countries, they had never used Micronesian crew for fear they could not endure the hard work. They were quite cynical as to the value of fisheries training institutions; they appeared to have the opinion that the institutes did no harm, but for crew preparation nothing would be as good as first-hand work experience on Taiwanese longliners. It was their opinion that the work aboard for foreign crew was all very simple; it is purely a matter of whether the crewmember has the endurance. In their experience the most difficult part for the crew is the arduous nature of life on a fishing boat and the small amount of sleep time.

Tim Mehau, an owner/operator of three Majuro-based American longline vessels, has used both Marshallese and Kiribati crew. He originally used only Marshallese but after being paid at the completion of each trip most of the crew would disappear. There was almost a complete crew change for every fishing trip. He subsequently began to use Kiribati crew. Although they would take off after each fishing trip, they were easy to find (and drag back to the vessel) due to the limited number of Kiribati households in Majuro. One disadvantage of the Kiribati crew relative to the Marshallese was the very large amount of food they consumed. It also appears as though they were slightly more prone to violence and subsequently incarceration when drinking.

### **Persons Contacted**

Danny Wase Director Marshall Islands Marine Resources Authority Majuro

Xavier Myazoe Licensing Officer Marshall Islands Marine Resources Authority Majuro

Toto and "Jimmy" Dartim Indonesian Crewmen Majuro-based Taiwanese longliner Majuro

Sifa Fukofuka Majuro-based SPC Observer Oceanic Fisheries Programme South Pacific Commission Suva, Fiji

Captain Larry Muller Principal Fisheries and Nautical Training Center Majuro

Jiang Yonghui Deputy Manager TingHong Marshall Island Fishing Base Majuro

Captain Tsai Taiwanese longliner TingHong Marshall Island Fishing Base Majuro

Captain Zhang Taiwanese longliner TingHong Marshall Island Fishing Base Majuro

Simon Tiller ADB Project MIMRA Majuro

### Notes on the Visit to the Kiribati to Examine the Crewing Situation

R.Gillett Feb 1997

There are presently four entities involved in the recruitment of Kiribati fishermen for work on foreign fishing vessels: Kiribati Fisherman Services Co. Ltd. (KFS), the Ministry of Labour, Employment and Cooperatives, Kiribati Overseas Seafarers Employment Agency (KOSEA), and Kiribati Maritime Agency (KMA). The only training institution geared specifically to fishermen on foreign fishing vessels is the Fisheries Training Centre (FTC).

Kiribati Fisherman Services Co. Ltd. is a company owned 99% by the Federation of Japan Tuna Fishing Cooperatives (Japan Tuna) and 1% by the Ministry of Labour, Employment and Cooperatives. There is an arrangement whereby all crew for Japanese vessels are recruited through KFS and KFS insists that all of its recruits successfully complete the 9 month course at the Fisheries Training Centre (see below). The General Manager of KFS is the former Secretary of Labour and was extensively involved in supplying crew to foreign vessel in his earlier role. KFS now has 200 Kiribati men aboard 20 pole/line vessels, 7 longliners, and 2 purse seiners. All of these vessels are Japanese and all belong to Japan tuna, with the exception of the f/v Kao which is registered in Kiribati, manned by Japanese officers and Kiribati crew, and owned by Otoshiro co. (51%) and Kiribati government (49%). KFS has a board of directors comprising 2 people from Japan Tuna, and 1 person from the Ministry of Labour, with the General Manager of KFS being the secretary for the board. According to the staffing scheme on the General Manager's wall, KFS has from 2 to 7 Kiribati men on 29 vessels. There are presently 200 men aboard vessels. Historically, the employment on the Japanese fishing vessels has been fairly steady at about 190 Kiribati men throughout most of the 1990s. It is anticipated that by June of 1997 a total of 236 men will be employed, with the eventual goal of having 1000 men on Japanese vessel in the future. According to the general manager, there is presently an excess of demand over supply, with the rate at which men are completing the FTC course restricting further employment. In addition to recruiting crew, KFS also handles remittances and provides counselling before/during employment. The General Manager feels that Kiribati must compete against other Asian crew on the basis of quality, hence the long training period, counselling to reduce attrition, and requirements for physical and medical fitness. He stated that he has examined a summary of insurance claims (accident, illness, death) on Japanese vessels and learned the Indonesians have a lower claim rate than the I-Kiribati. The General Manager visits Japan once per year to try to alleviate problems related to homesickness and drinking and regularly speaks to crew in Japan by telephone. In general, the operation appears well organised, professional, technically knowledgeable, and interested in the welfare of the fishermen. Its major weakness seems to be total reliance on Japan Tuna vessels.

The Ministry of Labour, Employment and Cooperatives is involved in supplying crew to non-Japanese fishing vessels. According to the Labour Officer Employment, upon receipt of a request for fishermen from Korean companies, the Ministry advertises over the radio, applicants come to the Ministry and are interviewed/shortlisted, and the overseas company is provided with a list of men in excess of the number of crew requested from which the company can select its crew. The Ministry arranges for the airtickets, advances the men a month's salary and travelling expenses, provides for insurance through a local company, makes payments to the fishermen's families, and invoices the overseas company. For this service they receive an agency/recruitment fee which they stress is from the company, not from the fishermen. Presently, 8 men are aboard Korean longliners of the Daerim Corporation and 11 are aboard longliners belonging to Dongwon Company. The Ministry

also handles employment of 19 workers employed by the Otoshiro ashore (presumably in Japan) who are being trained as "on-board food technologists". The number of men employed on Korean vessels is apparently less than in the past. According to the Assistant Labour Officer, men were provided to a number of Korean companies in the past but now there are relationships with only 2 companies. A meeting was reportedly held in February 1996 between the Korean Deepsea Fisheries Association and the Kiribati Government to revive the employment scheme. According to files at the Labour Department there were numerous cases of poor treatment of Kiribati crew on Korean vessels and this received widespread publicity, including mention in parliament. The Assistant Labour Officer feels that the decreased employment is due to both decreased demand from the Korean side (an entire Kiribati crew was dismissed in Fiji) as well decreased desire on the part of Kiribati fishermen to work on Korean vessels due to the adverse publicity. Labour Department officials state they feel that KFS is more organised, is able to offer continuity between contracts, and the training provided in association with KFS is good.

The Kiribati Maritime Agency (KMA) started in 1995 and, unlike the other agencies, is headed by an individual who has substantial experience on industrial tuna vessels: the General Manager was a captain on Te Mautari vessels for several years. The first crew placements occurred in 1996 when contact was made with the U.S. troll fleet in the southern Albacore fishery. Because that fleet was using the Te Mautari refrigerated vessel to transport fish from the fishing grounds to discharge ports, contact was made between troll vessel operators and Kiribati crew. Presently KMA has 7 fishermen working on three vessels, with the base for the crew being San Diego. According to the General Manager, KMA looks after the interest of the crew including arranging the contract (for which professional legal advice was sought) and handling the monthly allotments for the families in Kiribati.

Kiribati Overseas Seafarers Employment Agency (KOSEA) began operation in September 1996 but has not yet made crew placements. The are presently targeting operators of Korean longliners and US purse seiners. KOSEA charges fishermen a one-time A\$40 to become a member and KOSEA obtains a A\$30 fee for each successful placement. An opportunity was identified to send crew to Tahiti to join a Korean longliner, but through a misunderstanding with the Labour Department it was not possible to obtain a government advance for the airfare for the crew and the crew was not placed. Efforts has been made to establish contact with the US fleet through the Yap Fishing Company and through the US Tuna Foundation. Apparently USTF has circulated the KOSEA enquiry to vessel operators, but to date there have been no follow-up from the American side. Approaches to a Korean company (Sajo Industries Ltd.) appear to have resulted in agreement on a crew contract, the first step in placing KOSEA men on Korean longliners.

During the 7th licensing period of the US multi-lateral treaty, a survey was carried out by FFA on the nationality of the crew of 35 of the 47 vessels in that fleet. No I-Kiribati were among the 630 people employed on the 35 US seiners sampled. At least one i-Kiribati was employed by a US purse seiner in the late 1980s, but that person suffered the loss of some fingers and was medically repatriated. As a part of the licensing agreement with Yap Fishing Company, the Kiribati government required that the Yapese-registered (former US) vessels take on 10 I-Kiribati. The status of those crew is unknown.

To summarise the employment on overseas vessels in February 1997:

Agency	Type of Employment	Fishermen Employed
Kiribati Fisherman Services	Japan Tuna:	200

	Purse seine (20 vessels) Longliners (7) Purse seiners (2)	
Ministry of Labour	Korean Longliners	19
Kiribati Overseas Seafarers Employment	Korean Longliners	0
Agency	US Purse seiners	
Kiribati Maritime Agency	US Albacore Trollers	7
Total		226

Discussion with the General Manager of KFS indicate that approximately A\$80,000 is remitted to Kiribati monthly by the 200 men now working on Japanese vessels. Assuming an equal rate for the other fleets, about US\$70,000 appears to be remitted each month from all of the Kiribati fishermen on Japanese, Korean, and US vessels. According to the latest available data from the Ministry of Finance, there are 7,053 jobs in Kiribati. Foreign fishing vessel employment therefore represents about 3% of all formal employment in the country.

Based on Te Mautari records for recent years, the average salary earned by I-Kiribati working on Japanese and Korean vessels is about twice that earned by fishermen working on domestic pole/line vessels.

Fisheries Training Centre (FTC) was established in 1989. Originally a part of the marine Training Centre in Betio, in 1995 the Centre moved to new premises at the old hospital and now operates autonomously from MTC. Facilities at the centre include 3 classrooms, a language laboratory, an engine workshop, a fishing workshop, plus mock-up pole-and-line and long-line work areas. The centre also has a small longline training vessel, Te Tiakava. Subjects taught are: longline, pole-and-line fishing methods; Japanese language (basic communication abilities, specific fishing commands and orders); engineering (maintenance, repairing and overhauling of outboard motors, generators and ship engines); and seamanship (watch-keeping, knotting, basic ship construction, fire-fighting, deck-work, first aid, general ship maintenance). The course lasts from 6 to nine months and all the trainees live at the centre during the training. The principal of the college is I-Kiribati and there are 11 teaching staff, of whom 3 are Japanese, provided by Japan Tuna. They teach fishing and Japanese language and are supported by 8 local Instructors and assistant instructors. There are 7 admin staff (senior account clerk, registry, secretarial/typing, storemen) and 7 support staff (cooks, security guards, laundress). The local staff are all government employees. Japan Tuna and Kiribati Govt jointly fund the centre. Government of Kiribati recurrent funding is A\$300,000/ year. Japan Tuna provide 3 senior personnel, equipment, and fishing gear as well as some of the operational expenses of the training vessel. According to the principal there have been about 400 graduates of FTC and the dropout rate is about 10%. All of the graduates are destined for jobs on vessels of Japan Tuna and, conversely, Japan Tuna will not accept Kiribati fishermen who are not graduates of the school. Presently the demand for graduates in the fleet exceeds the number of graduates; recently a number of trainees were sent to Japan prior to actually graduating due to excess demand. The school appears to perform the dual function of both technical training as well as a mechanism for eliminating those individuals who would not be suited for prolonged work on Japanese vessels. The trainees on the present course are all from the outer islands. According to information obtained in a discussion with the entire class, the 29 trainees were selected from a very large number of applicants on the basis of a minimum educational requirement (class 9), a written exam, an interview, a physical fitness test, and a medical exam. Their major difficulties are the punishment, punctuality requirements, homesickness, and prohibition of visitors at the centre.

### Contracts

The management of KFS indicated it would not feel comfortable in providing a contract for examination because it was undergoing evolution. A KFS pole/line contract was subsequently obtained, however, from one of the fishermen interviewed. Notable features are:

- "On completion of contract or in case of mourning of a relative in the first degree illness or accident the Owner shall bear the cost of all reasonable living expenses during such transportation"
- Fishermen entitled to travel with 20 kg of personal luggage and excess up to 50 kg will be forwarded at the owner's expense by sea
- 12 days paid holiday per 10 month period
- "The nature of all offshore work is such that the crew must work as and when reasonably instructed by the Captain of the vessel"
- Accident insurance to be provided by the owner and sickness insurance to be paid half by the owner and half by the employee
- For illness disability, basic wage will be paid for not more than 6 weeks
- One month's severance pay to be provided for termination should owner discharge a fisherman prior to the expiry of the contract
- Compensation at the following rates for pole/line vessels:

Category	Basic Monthly	Allowance	Total
	Wage		
First contract	A\$420	A\$50	A\$470
Second contract	A\$510	A\$75	A\$585
Third contract	A\$560	A\$100	A\$660

To the above amounts at the Captain's discretion, a bonus is added each 10 months which can be up to 1.5 months wages.

[Information was obtained which suggests that the total compensation for a KFS longline contract averages about \$100 to \$200 more than the above amounts]

Major features of the contract used by the Labour Department for Korean vessels are:

- If ownership of vessel changes during the course of the contract, crewmember shall be offered repatriation at the expense of the former owner
- Employment period of between 10 and 14 months at the master's discretion
- Severance pay of 2 months if contract terminated and termination not crewmembers fault
- For (a) recruitment (b) completion of contract and (c) early termination due to illness and accident, all transportation charges and reasonable living expenses en route to be paid by employer
- If early termination caused by the mis-behaviour of the crewmember, repatriation expenses to be shared equally
- Wages are US\$300 per crewmember plus a fish bonus of US\$2 per ton
- Hours of work to be determined by master but a total of 6 hours rest in 24 hours shall be given
- Safety helmet, raincoat, 2 boiler suits (for each 5 months), hand gloves, and rubber boots to be supplied to crew
- Accident insurance giving coverage at least as favourable as that stipulated by the Workmen's Compensation Ordinance shall be provided by the employer
- In the case of disability, the basic wage shall be paid from the date of disability for a period not to exceed 6 weeks.

There is also a contract used by the newly-formed Kiribati Overseas Seafarers Employment Agency for a Korean company. It appears to be similar to the format used above, but contains the following:

- The parties of the contract are: KOSEA, the Korean company (Sajo Industries), and the crewmember.
- 12 to 18 month in duration at discretion of vessel master
- \$500 severance pay if contract terminated early and not due to fault of seafarer
- Wages are US\$350 for Kiribati fisherman who have completed prior contracts with the company without problems, \$300 for new fishermen, plus a landing bonus and transshipping bonus at the same rate a Korean crewmembers and the payment of such bonuses shall be directly to the crewmember
- For disability due to sickness of injury, a maximum wage of 6 weeks shall be paid
- For disability in which the crewmember is not at fault, all repatriation costs, full wages, and pro-rated bonuses shall be paid by the company.

The contract used by Kiribati Maritime Agency is substantially different than those above. It has provisions for:

- A monthly salary (unspecified, amount to be filled in) plus a "bonus/overtime" as a lump sum or by fish tonnage (unspecified, amount to be filled in)
- Paid leave at expiration of employment (unspecified, amount to be filled in)
- The employer to bear for cost of travel plus (a) 50 kg of unaccompanied luggage by air or 5 cubic metres [sic] by sea
- Employment can be terminated by employer giving one month's notice to employee. Employment can be terminated by employer immediately for medical/mental reasons
- Employee has the right to refuse to sail into or remain within "warlike operations zone"

A general feature of all the contracts examined is that it is stated specifically that the agencies are signing and acting on behalf of the employers, despite the fact that the agencies have stated that one of their functions is to represent the interests of the Kiribati crewmembers. Another issue is the enforceability of the contracts; a crewmember may sue the employer in a Kiribati court for breach of contract, but if the employer has no assets in Kiribati it may be a meaningless exercise.

The Kiribati perspective on conditions of employment

The three I-Kiribati questioned on the conditions of employment for Kiribati fishermen aboard Japanese pole/line vessels gave very similar responses. Although the job is hard and hours are long, they are generally satisfied with the work. Depending on the size of the pole/line vessel, the average duration of fishing trips fishing trips range from one to three months followed by 4 to 6 days in Yaizu port between trips. The crew is unanimous in the opinion that offloading the fish is the hardest task. It appears as though conditions are better than in the past when there were cases of only one I-Kiribati in the entire crew (there are now 2 to 12 per vessel). It was reported that there have been three Kiribati suicides, but that these incidents resulted in an improvement in conditions. They feel that the high attrition rate for I-Kiribati is due to "laziness and being cheeky" and drinking-related problems in port. The three I-Kiribati questioned all offered the opinion that their work aboard pole/line vessels was substantially better than the work of friends aboard Japanese longliners due to the length of the working day and the frequency of port visits. Because of the language training received at the FTC prior to employment, they did not feel major language problems exist aboard. They very much appreciate scheduling organization - being able to have 6 weeks ashore in Kiribati followed by an assurance of subsequent employment.

Three I-Kiribati were questioned on the conditions of employment for Kiribati fishermen aboard Korean longliners. The average pay for these experience longline fishermen in 1996 consisted of a basic wage of US\$400 per month plus a catch bonus (US\$2 per ton) and shark fin money. This recently equated to about US\$ 540 per month and is about the same earned by experienced I-Kiribati on a Japanese longliners. According the I-Kiribati crew interviewed, the basic wage of Indonesians and Vietnamese on the same vessel was US\$280 and \$180 respectively. Conditions aboard appear to be much harsher on Korean vessels than on Japanese longliners, with the small accommodation area cited as being especially uncomfortable. There are indications that the working arrangements are not unbearable; one of the Kiribati fisherman interviewed had successfully completed his 5th one-year contract on the same Korean longline vessel. Initial cruelty from the officers slowly changed into an amiable relationship. Lack of sufficient sleep and absence of rest days were the major difficulties encountered by the I-Kiribati aboard. There were language barriers but this was not considered a big problem. At least some of the I-Kiribati crew on Korean longliners are people who have been dismissed for misbehaviour on merchant ships and are unable to obtain employment on Japanese fishing vessels due to the requirement of graduation from FTC.

Promotion aboard Japanese vessels is reflected in the wage structure, with third year Kiribati fishermen receiving 40% more basic wage than newcomers. Two Kiribati fishermen have followed the required steps for promotion to officer level (including a year in officer training school in Japan) but under present Japanese law no foreigner can be an officer on a Japanese flag vessel. They could, however, be an officer on a Japanese-owned vessel registered outside of Japan as for example on the Kiribati-registered purse seiner *Kao*. Promotion aboard the Korean vessels is exhibited in the progression from US\$300, to \$360, to \$400 for increasing experience. The increasing authority that experience brings sometimes results in problems; the non-Korean and non-Kiribati portion of the crew (Indonesian, Vietnamese) sometimes resents being ordered by an experienced I-Kiribati.

## Perspectives of Vessel Operators

The Chief Instructor at the Fisheries Training Centre, S.Tomizuka, is a contract expert of Japan Tuna. He provided some employer perspectives on I-Kiribati and their performance

relative to other non-Japanese crew. He explained that the Japan Tuna membership included over 500 longline and 50 pole/line vessels. About 25% of all crew is non-Japanese and therefore they have considerable experience with foreign crew. The advantages of the Kiribati fishermen is that they are hard workers and arrive on the vessels well-trained. Their efficiency (presumably for poling fish) is judged to be about 80% that of a Japanese fisherman but after 5 or 6 years experience is the same as for Japanese. Major disadvantages are homesickness, drunkenness, and difficulties caused by family trouble back in Kiribati. He stated that Indonesian fishermen do not suffer from alcohol-related problems, are quiet, and are hardworking, but on the other hand there are a high portion of men who do not work out on board and there are greater language problems. The Filipino fishermen are good workers but recently a high proportion are "lazy and cheeky". The transportation charges for both Indonesians and Filipinos is much less than for the Kiribati crew.

### Miscellaneous Observations

During the first week in February the Kiribati/Japan negotiations broke down. This highlights the concern held by some individuals, including the Principal of the Fisheries Training Centre, over reliance on a single market for Kiribati fishermen. The Principal alluded to the possibility that the Japanese may transfer their support from FTC to a similar institution in the Solomon Islands. It is not known whether this his own concern or whether it was actually mentioned by the Japanese at the negotiations.

There appears to be some conflict between the Labour Department and the agencies recruiting fishing crew. Although the relationship between the Labour Department and KFS seems to be well demarcated (KFS handles the crew for all Japanese vessels), that with Kiribati Overseas Seafarers Employment Agency, and Kiribati Maritime Agency is more difficult. From the perspective of KOSEA and KMA it is a clear case of commercial competition between government and private business. Labour, however, feels that it is need for government involvement to assure to interests of the crewmembers are not jeopardised by the vagaries of small businesses.

### Persons Contacted

Maruia Kamatie Acting Chief Fisheries Officer Bairiki, Tarawa

Kamaua Bareua Principal Fisheries Training Centre Bikenibeu, Tarawa Anata Korina Labour Officer Employment Ministry of Labour, Employment, and Cooperatives Bairiki, Tarawa

Teaua Binataake Assistant Labour Officer Ministry of Labour, Employment, and Cooperatives Bairiki, Tarawa

Patrick John Tatireta Manager Kiribato Overseas Seafarers Employment Agency Betio,Tarawa

Bauro Uerem Crewmember Japanese pole/line vessel Bairiki, Tarawa

Mikaieli Teieka Kiribati Crewmember Japanese pole/line vessel Bairiki, Tarawa

Tetekaia Timirau Kiribati Crewmember Korean Longline vessel Bairiki, Tarawa

Matauea Takaio Kiribati Crewmember Korean Longline vessel Bairiki, Tarawa

16 Trainees Fisheries Training Centre Bikenibeu, Tarawa

Nauan Bauro General Manager Kiribati Fisherman Services Co. Ltd. Bairiki, Tarawa Retire Reboro Former fisherman on Japanese pole/line vessels Instructor at Fisheries Training Centre Bikenibeu, Tarawa

Shigeyuli Tomizuka Contract Expert Federation of Japan Tuna Fisheries Cooperative Associations Fisheries Training Centre Bikenibeu, Tarawa

Wayne Angua Former fisherman on Korean longliners Betio, Tarawa

26 Former fishermen on Korean and Japanese vessels KOSEA Office Betio, Tarawa

Baie Teanako Acting General Manager Te Mautari Ltd. Betio, Tarawa

lete Rouatu Republic Statician Statistics Office Bairiki, Tarawa

Herman Taaia General Manager Kiribati Maritime Agency Bairiki, Tarawa

Akii Taratiera Managing Director Kiribati Maritime Agency Bairiki, Tarawa

# Notes on the Visit to the Solomon Islands to Examine the Crewing Situation

R.Gillett Feb 1997

Unlike Vanuatu where a central agency places most of the domestic crew on foreign vessels, the estimation of Solomon Islander crew on foreign fishing vessels is a more indirect process. Apparently the vast majority of Solomon island employed in this capacity are on vessels either based in the Solomon Islands or licensed to fish the waters.

As of February 3 1997, there were 15 purse seine and 31 longline licenses issued to joint venture (J/V) fishing operations. In addition, there is an access arrangement in place with the Japanese in which 9 vessels currently have licenses but this is likely to increase as 1997 proceeds - last year 29 of those licenses were issued. These license arrangements can be summarised as follows:

Company	Arrangement	Origin of Vessels	Туре
Global Investments	Joint venture	Taiwan	purse seine
Makira Tuna	Joint venture	Korea	purse seine longline
Solomon Fishing	Joint venture	Korea	purse seine longline
Solssa	Joint venture	Korea	purse seine longline
Sunrise	Joint venture	Taiwan	purse seine
Mako	Joint venture	Korea	purse seine
Solgreen	Joint venture	Taiwan	longline
[Various Japanese companies]	Bi-lateral access	Japan	longline

For the above foreign vessel categories, there are different government requirements for local employment. Under the J/V policy the Solomon Islands government, the Foreign Investment board requires that locals are hired to work on board, without specifying the exact number. One J/V arrangement now in place simply states "that [foreign partner] shall promote the employment of Solomon crew". Under the current bi-lateral access arrangement with Japan there is no provision for employment other than "broader cooperation", but through the annual review process, there is the opportunity that this may evolve into employment cooperation.

Information from two officials of the Fisheries Department, five shipping/crew agents, and three ex-crewmembers was used to estimate that on the average:

- Taiwanese joint venture purse seiners carry 17 crew of which 4 are Solomon Islanders
- Korean joint venture purse seiners carry 2 or 3 Solomon Islanders
- Most of the Korean J/V longliners carry about 5 Solomon Islanders out of a usual total crew of 25
- The Taiwanese J/V longliners are usually smaller and carry 2 or 3 Solomon Islanders out of the approximately 16 man crew
- There are a total of 15 Solomon Islanders on 3 of the Japanese bi-lateral access vessels
- The 14 Taiwanese longliners operated by Solgreen only carry 4 Solomon Islanders (and one Ni-Vanuatu)

In considering the above information it is estimated that about 150 Solomon Islanders are employed on foreign fishing vessels presently licensed to fish the waters of the Solomon Islands. This represents about 17% of all shipboard jobs on the licensed vessels.

To the above 150 jobs must be added the number, probably quite small, of individuals working on vessels fishing elsewhere and not presently licensed in the Solomon Islands.

It should be noted that the total number of Indonesians and Filipinos employed by the above vessels exceeds the number of total number Solomon Islanders. It was noted that the 14 Solgreen Taiwanese longliners each employ about 6 Indonesians and 6 Filipinos, but only a total of 4 locals on all their vessels.

The Agency in Indonesia supplying crew is:

PT. Sinar Mutiara

Jl. Walang Sari II, No. 12

Jakarta, Indonesia

tel: (012) 4304151, fax: (012)435-8940

This agency is being contacted to determine arrangements and costs for Indonesian crew.

During the 7th licensing period of the US multi-lateral treaty, a survey was carried out on the nationality of the crew of 35 of the 47 vessels in that fleet. No Solomon Islanders were among the 630 people employed on the 35 US seiners sampled.

Three of the five agents and three ex-crew members offered the following salary information:

- Makira tuna pays US\$250 per month for longliner deck crew
- Some of the Korean purse seiners pay the local crew US\$250 per month, plus US\$1 per tonne, plus \$1 discharge fee
- Some of the Korean longliners pay US\$200 per month plus US\$2 per tonne
- The Japanese longliners pay US\$ 200 per month plus US\$2 per tonne which, according to crew, equates to a total monthly pay of about US\$270

A crewmember, working ashore after a period in which the US\$270 per month was earned, received US\$125 per month for store employment. That person is now eagerly awaiting to be re-employed by the fishing company.

One Korean agent stated that, despite the one-year contracts, virtually the entire Solomon Island crew disappears after each fishing trip. The Solgreen agent indicated that, compared to Indonesians and Filipinos, the Solomon Islanders are very unreliable. It was for that reason that Solgreen employed 50 locals last year, but it has been reduced to four at present.

The interaction of the Fisheries Division with the local crew employment situation is limited to comments made to the Foreign Investment Board on the application for joint venture approval. The Division comments on whether the proposed crewing arrangement meet current government policy. The Immigration Department can have an indirect effect on the hiring of local crew by control over work permits for foreign crew.

At least for the crew agencies contacted, the arrangement for crew is that the agency identifies the crew and all subsequent arrangements are made directly between the management of the vessel and the individual crew members.

A copy of one contract for longline fishing (Inai Sanji Shoten Co, Ltd.) was examined. Notable fearures of the contract are:

- One year contract period
- Probation period of 3 months
- Fixed wage of US\$200 per month plus [sic] provident fund deductions plus a fishing bonus of US\$200 per ton paid to the employee at the end of the contract period
- No catch bonus during the first voyage
- Any claim for compensation arising out of injury in the course of duries shall be subject to insurance cover which shall be paid by agent
- Repatriation expenses paid only if (a) completion of contract (b) reason of injury in which one month's notice has been given (c) either party giving the other party 3 months written notice

It is interesting to note that this Japanese country contract is virtually identical (including misspelled words and wrongly worded phrases) to that used by the Taiwanese Ming Dar Company in Vanuatu except that in the Solomons version there is no provision for hours of work, borrowing money, compensation for absence from work due to injury, safety gear on vessel, annual medical checkup, medical insurance, compensation during periods of malaria/dengue sickness, holidays, and annual leave. There is also no mention of the provision in the Vanuatu version of resolution of dispute by consultation with laws of the country of origin of the crew.

### People Contacted:

lan Cartwright Deputy Director Forum Fisheries Aency Honiara, Solomon Islands

Tony Kingston
Economist, Forum Fisheries Aency
Honiara, Solomon Islands

Ramesh Chand
Database Administrator
Forum Fisheries Aency
Honiara, Solomon Islands

Fred Omoa Legal Officer Forum Fisheries Aency Honiara, Solomon Islands Albert Wata
Under Secretary
Ministry of Agriculture and Fisheries
Honiara, Solomon Islands

Kitchener Collinson Chief Fisheries Officer Fisheries Divison Honiara, Solomon Islands

Manasa Licensing Officer Fisheries Divison

Honiara, Solomon Islands

Leslie Kelah Foreign Crew Coordinator Solgreen Enterprises Ldt. Honiara, Solomon Islands

Kim Durkee Managing Director [crew agent] Kosol Corp. Ltd Honiara, Solomon Islands

Peter Bennett Managing Director [crew agent] Honiara Makasi Fisheries Service Honiara, Solomon Islands

Boni Lesturi Operations Manager [crew agent] Honiara Makasi Fisheries Service Honiara, Solomon Islands

Basil Kiriau
Manager [crew agent]
Tradco Shipping Ltd.
Honiara, Solomon Islands

Stanley Daefa Director, School of Marine Honiara, Solomon Islands

Elison Tora Crew member aboard foreign longliner Honiara, Solomon Islands

Richard Donelay Crew member aboard foreign longliner Honiara, Solomon Islands

Tamoth Tousia Crew member aboard foreign longliner Honiara, Solomon Islands

# Notes on the Visit to Vanuatu to Examine the Crewing Situation

R.Gillett Jan 1997

For at least 20 years the South Pacific Fishing Company (SPFC) has been procuring crew for Asian longliners. According to SPPF documents, in 1989 an agreement was signed by the Government of Vanuatu and two foreign fishing companies (Ming Dar Fishing Co. of Taiwan and Korean Tuna Ventures S.A. of Korea<sup>9</sup>) authorising SPPF to be the sole agent for these companies in the procurement of Ni-Vanuatu crew vessels of those countries. At least in the Taiwan case, there appears to be a parallel agreement allowing Ming Dar to be the sole agent for the procurement of Ni-Vanuatu crew for vessels belonging to the Taiwan Deep Sea Tuna Association. According to SPFC officials, SPFC receives 10% of the crew's monthly salary as a commission, which would be presently about US\$2600 per month.

September 1996 is the latest period for which data on the number of Ni-Vanuatu employed is available from SPFC:

Table 1: Employment of Ni-Vanuatu on Taiwanese and Korean Longliners

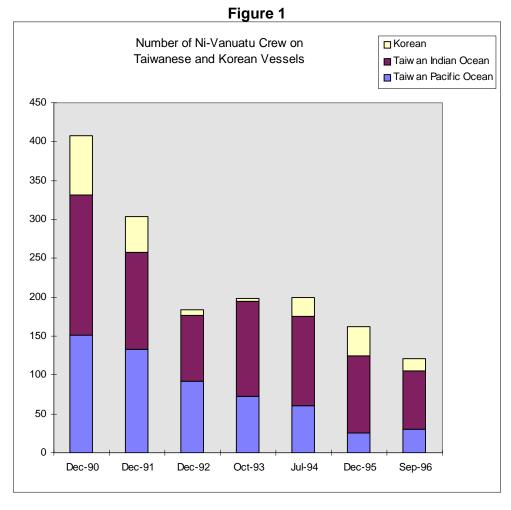
Vessel Category	Number of vessels carrying	Number of crew employed
	Ni-Vanuatu crew	
Taiwan vessels in Pacific	10	30
Ocean		
Taiwan vessels in Indian	30	75
Ocean		
Korean vessels	4	16
(Pagopago)		
Total	44	121

It should be noted that two New Zealand longliners based in Vila each employ 4 or 5 Ni-Vanuatu. The amount of crew on Vanuatu-registered purse seiners, if any is unknown. International Tuna Services was contacted during the Vila visit but the manager (R.Kaltongga) was absent from the office. A 1996 FFA report on Vanuatu's Offshore Fishery stated that International Tuna Services operated two purse seiners flagged to Vanuatu and one longliner freezer flagged to Korea. About 18 ni-Vanuatu crew were employed, of which 8 are on the two purse seiners (which are technically not foreign vessels) and 10 on the longliner (which would be a foreign vessel. A Vila-based Japanese longliner formerly employed 13 Vanuatu crew, but is presently not operating.

SPFC records indicate that a cumulative total of 980 Vanuatu men have been employed as crew on foreign vessels through SPFC. According to copies of invoices supplied by SPFC to the Fisheries Department, the employment has declined considerably in recent years as shown by the following:

44

<sup>&</sup>lt;sup>9</sup> This Korean company appears to be affliated with the Tropac Company of American Samoa which administers the crew working on the Korean vessels.



Information received verbally from the SPFC Assistant Manager indicates that employment has further decreased from 121 in Sept 1996 to 114 in Dec 1996. The total employment on all foreign fishing vessels (including the locally-based New Zealand vessels and the locally-managed Korean vessel) would therefore be about 140 men at present.

According to a recent UNDP report (UNDP 1996) formal employment in Vanuatu provides jobs for approximately 18,500 individuals. From the above data it can be seen that work on foreign fishing vessels presently constitutes about .7 % of all formal employment in the country.

According to various observers, the reason for the long-term decline in employment appears to be:

- A general decrease in the number of Korean and Taiwanese longliners operating
- Competition with other nationalities for crew positions: Indonesia, Mainland China, and the Philippines
- Inefficient recruitment/placement practices by SPFC

The Assistant Manager of SPFC could not offer an opinion for the decline in employment but stated that it started at about the time of the departure of the last Japanese general manager in the early 1990s. He also mentioned a lack of knowledge of the Asian fishing operations within SPFC.

Crew are given a standard contract which appears to have evolved only slightly since the early 1980s. Major points of the contract are:

- Resolution of differences by consulting the labor laws of Vanuatu (Cap. 160) (note: some parties have interpreted this as meaning compliance with the labor laws)
- Maximum of 56 hours per week
- Fixed monthly rate of compensation plus fishing and sharkfin bonuses
- Provision of suitable food for meals aboard and elsewhere
- Public holidays outside the jurisdiction of Vanuatu to be decided by the employer
- If the contract is terminated on the expiry of the contract or (1) by the employee with more than less than 3 month's notice (2) by the employee for serious health/injury reasons with one month's written notice [sic], the employer will pay repatriation costs, otherwise all repatriation expenses to be paid by the employee.
- A 3 year contract period (recently increased from 2 years)

The VFA has obtained legal assistance in the drafting of a proposed replacement contract. Notable features of the new document include:

- Compliance with the labour laws of Vanuatu
- A maximum of 44 hours of work per week
- If work is performed on a Sunday or public holiday, compensation must be made at a rate ranging from 1.25 to 1.75 the normal rate
- 21 days leave per annum
- SPFC is legally responsible for the employer's debts and responsibilities
- Contribution by both employee and employer of 3% of salary to the Vanuatu National Provident Fund
- The employer will meet all medical expenses without financial limit, with 3 stated exceptions
- All repatriation expenses in any circumstances to be paid by the employer

It should be noted that the legal adviser responsible for the draft contract is not knowledgeable of the fishing industry or requirement of fishing operations. He was of the opinion that any decrease in competitiveness relative to other nationalities could be compensated by measures in bilateral negotiations.

Presently all crew, no matter how experience, are paid 25,000 vt per month. Company records show that the rate was 20,000 vt in 1982 and 23,000 in 1990. In real terms this appears to be a decline. In US dollars (the currency in which Ming Dar reimburses SPFC) the pay appear to and, in US dollars, even a nominal decline over the 15 year period as the Vatu was considerably stronger in the early 1980s than at present. The contract presently in use specifies a set monthly salary, a "fishing bonus", and a sharkfin bonus. Apparently, no fishing bonuses have ever been received by the crew interviewed. The sharkfin bonus seems to average about \$250 to \$300 per four month trip.

In a letter from the Chairman of Ming Dar Fishing Company to the Director of Fisheries in Vanuatu, comments are made on the salary level on Ni-Vanuatu working on Taiwanese vessels. "There are more than 20,000 foreign crew working on Taiwanese fishing vessels....the salaries of the Ni-vanuatu crew are the highest. Not only because SPFC strives for the crew's advantages, but also because their well performance make them deserve such high payment."

One of the Ni-Vanuatu ex-crew interviewed in Vila said he is now earning 16,000 vt working in a Vila supermarket. He stated that even though the quality of life is better living in Vila than

working on a longliner, he would like to do another contract because of the opportunity to save money. On his last trip he utilized only his shark fin money (av. \$300 for four month trip) for spending money while away from Vanuatu and had in excess of \$5,000 in his company account on return.

Crew are sent to Taiwanese vessels (Pagopago, Levuka, and Singapore) and Korean vessels (Pagopago and Levuka). The Pacific vessels are all freezer longliners targeting tuna for canning while the the Singapore-based vessels are much larger than those in the Pacific, presumably sashimi-grade freezer vessels. Typically, 2 or 3 Ni-Vanuatu and 11 or 12 Taiwanese or Koreans will form the crew. Judging from forms containing information from debriefing which was formerly carried out with returning crew, areas fished were as far west as Oman and as far east as French Polynesia. With a few exceptions, Asian longliners have not been based in Vanuatu for a decade. Voyages are scheduled to be about 4 months in duration, but are often cut short dues to medical emergencies, expiration of fishing licences, mechanical breakdowns, and exhaustion of supplies.

Acording to the three Ni-Vanuatu ex-crew of the Taiwanese vessels interviewed in Vila, the workday begins about 3 am with setting the line which takes about 5 hours. This is followed by a few hours of rest. The hauling begins at 11 am and continues until about 1 am. Weather permitting, this is done seven days a week.

The work allocated to the Ni-Vanuatu is fairly routine: baiting the hooks, throwing the hooks, cleaning the fish, and storing the fish in the freezer. The most undesirable job appears to be working in the freezer because of the work involved in lifting heavy fish and the cold. There appears to be no heirarchy of skill level: after many voyages a crew member still performs the same duties as on his first. There appears to be no promotion in jobs or wage; all Ni-Vanuatu are paid at the same rate. The crew interviewed said no real skills were acquired, other than learning how to attach the hooks to the branch lines and to splice lines.

There is little communication between the Asians and the Ni-Vanuatu aboard due to language differences. What does occur is usually by gestures. This was not seen as a major problem by the Ni-Vanuatu.

It is during the port calls that many of the Ni-Vanuatu crew prematurely terminate their employment. Because at least some of the crew hold return air tickets, there is little preventing their departure. Reasons cited ranged from home sickness, family problems, injury, to on-board fights resulting in deaths of crew. Individuals associated with Ming Dar state that the rate of successful completion of a two year contract has decreased from about 98% around 1990 to about 75% at present. Fisheries Department officials have indicated the rate is about 50% at present.

Conversations with former crew indicate general satisfaction with the work. They feel improvement should, however, be made concerning quality of the food, extra payments for especially long work days, and time off from work due to sickness. Judging from the three Ni-Vanuatu crew interviewed, there is not a great understanding of the terms of the contract. Perhaps partly because of this, a recent initiative by the Vanuatu Fishermen's Association (VFA) has resulted in approximately 750 former and present fishing crew seeking compensation for lack of severance pay and other grievances.

In order to obtain the Captains' perspectives on the problem, travel to Pagopago, would be required due to the absence of port calls in Vanuatu.

There appear to be problems with the SPFC approach to acting as an employment agency. In recent years there have been several changes in the Government of Vanuatu. According to Fisheries Department officials, with each change of Government the management of SPFC changes and the political appointees have not proven to be especially competent. The selection of fishermen for overseas jobs seems to be based on factors other than experience, skill, or aptitude. Other crew-related problems of SPFC mentioned by observers are:

- The location in Santo requires that a new recruit, regardless of location of residence, travel to Santo to apply for a position and prior to departure, be in Santo for contract signing
- The location of SPFC away from Vanuatu's international airport results in a burden on the Fisheries Department in Vila to provide logistical and financial support to departing and arriving fishermen
- The relationship of the Fisheries Department to the employment situation is not well understood. Although the Government expects the Department to assist SPFC, the form of this assistance should take is not clear. For example, there is a letter on file from the Ministry of Finance to the Minister responsible for fisheries requesting that, because an injured fishermen has not been given his severance pay by SPFC, the Fisheries Department vessel be made available to that fishermen for commercial fishing
- Apparently, no training is provided to new recruits nor is there any briefing session
  in which the difficulties and obligations of the future employment is explained.
  Similarly, there is no mechanism for the recruiters to learn of the applicant's
  aptitude for the work. This appears to be at least partially responsible for the
  decrease in successful completion of two year contracts and perhaps a
  contributing factor in the decrease in demand for Ni-Vanuatu crew.
- There have been allegations of non-payment of wages by SPFC
- There is some question over the enforceability of the employment contract n Vanuatu courts due to the unknown relationship between SPFC and Ming Dar fishing company.

SPFC officials stated that they do not actually get involved with crew selection, but only forward names to the Taiwanese company which, on the basis of company record on previous performance, selects the crew (supposedly only experience crew is now considered). This does not entirely accord with the statement of the Ming Dar agent in Vila who stated that SPFC selected 19 individuals and subsequently 2 were removed from the list by the Taiwanese.

SPFC officials state their major difficulty relating to crewing is the backlog of claims for severance pay from former crew and delays in receiving crew salary payments from the Taiwanese company. Presently, it has been expecting crew payments for a considerable amount of time. According to information contained in an FFA report (C.Brown consultancy on proposed multilateral arrangement with Taiwan) addition crewing-related problems of SPFC include non-recovery in the early 1990s of \$258,000 for wages and airfare when arrangements for providing crew on Korean vessels broke down due to the bankrupty of the Korean agent.

With respect to the three factors which may contribute to the decline in demand for Ni-Vanuatu crew (mentioned after the figure above), the following may be noted:

 An improvement in the institutional arrangements for employment administration (especially the procedures for recruitment) is likely to have a positive effect on the demand for Ni-Vanuatu crew. There is the possibility that new efficiencies in the

- placement agency (e.g. lower air transport cost) may result in savings which may partially be passed to the fishermen
- There is little that Vanuatu can due to arrest the shrinkage in size of the longline fleets globally.
- Although there are some worthy improvements in the contract being propose by the VFA, full implementation of all clauses is likely to decrease the demand for Ni-Vanuatu crew relative to those from Asian countries.

There is some question as to the actual motives for employing Ni-Vanuatu. The pay, attrition rate and airfare expense would be substantially greater for Ni-Vanuatu than for other nationalities. For example, 75 Ni-Vanuatu fishermen are presently on Taiwanese boats in the Indian Ocean and have been transported from Santo to Singapore, which is very close to the large supply of cheap labour in Sumatra. Representatives of the Taiwanese companies state two reasons for engaging Ni-Vanuatu: (1) The Taiwanese companies wish to preserve the long standing relationship with Vanuatu (2) Ni-Vanuatu crew are highly regarded. Although not stated, the political recognition issue and bi-lateral negotiations may have some influence on the employment situation. The contention that there are non-commercial influences on the crewing arrangements is supported by information in an FFA report (C.Brown consultancy on proposed multilateral arrangement with Taiwan) which states that a senior Taiwanese negotiator "has personally bailed company [SPFC] out by covering lost funds".

During the 7th licensing period of the US multi-lateral treaty, a survey was carried out on the nationality of the crew of 35 of the 47 vessels in that fleet. No Ni-Vanuatu crew were among the 630 people listed as employed on the 35 US seiners sampled. Recent information from a US vessel owner (J.Zolezzi, per.com.) indicates that one Ni-Vanuatu is employed on the US purse seiner *Jeanine* and that person is paid at a rate of US\$1 per tonne (about \$4,000 per year assuming no trips off). Evidently, he was working on a Pago-based longliner and then switched to a purse seiner before eventually being hired for the *Jeanine*. Immigration records of the Federated States of Micronesia show that the US purse seiner *Andrea C* entered Yap harbour for transshipment and there was one Ni-Vanuatu crewmember aboard.

## People interviewed in Vanuatu:

Doresty Kenneth Director of Fisheries Port Vila, Vanuatu

Moses Amos Fisheries Department Port Vila, Vanuatu

Wesley Obud Licensing Officer Fisheries Department Port Vila, Vanuatu

Naomi Sope Finance/Admin Officer Fisheries Department Port Vila, Vanuatu

Simon Kuo Ming Dar Agent Port Vila, Vanuatu

Jon Baxter Wright Legal Adviser Vanuatu Fishermen's Assoc. Port Vila, Vanuatu

Nixon Garae Former Longline Crew Ambae, Vanuatu

Robin Tasong Former Longline Crew Ambae, Vanuatu

Willy lawiap Former Longline Crew Tana, Vanuatu

Shem Rarua Secretary Vanuatu Fishermen's Assoc. Port Vila, Vanuatu

Anna Beale Manager Vanuatu Fish Port Vila, Vanuatu Hon. John Morsen Willie Minister of Agriculture, Forests and Fisheries Port Vila, Vanuatu

Steve Vuti Assistant Manager South Pacific Fishing Company Santo, Vanuatu

Peter Sharples Observer Coordinator South Pacific Commission Noumea, New Caledonia

Captain Roan Heru Ports and Marine Department Port Vila, Vanuatu