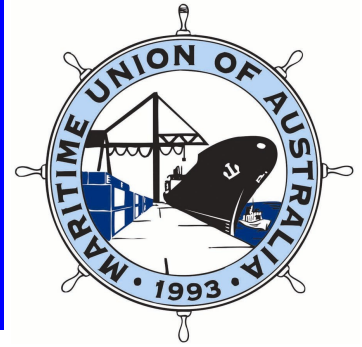


# FPSO NEWS



29 November 2010

## **Application of Seacare on FPSO's**

The Seafarers Rehabilitation & Compensation Act is a Commonwealth Act of Parliament that applies to seafarers who are injured at work provided they are employed on a "prescribed ship" as defined in Part 11 (Section 19) of the Navigation Act. Section 11 covers ships which:

- Are registered in Australia; or
- Are engaged in the coastal trade; or
- Have a majority Australian crew and are operated by an Australian person or Company.

In addition to satisfying the above provisions as a "prescribed ship" it must also be established that the ship is engaged in trade or commerce that has a sufficient interstate or international connection.

Considering the above, FPSO's are defined as a ship only while disconnected from the riser. For most of the time FPSO's are defined as a facility and as a consequence the Navigation Act does not apply.

However in an effort to retain the level of coverage that applies under the provisions of the Navigation Act for members employed on FPSO's the MUA has successfully negotiated provisions in agreements that provide equivalent coverage to that of Seacare.

Conditions that are provided for under the Seacare scheme include:

- 100% of salary for the first 45 weeks; and
- 75% of salary after the first 45 weeks up to recovery date or retirement age whichever comes first.

In addition Section 132 of the Navigation Act provides for seafarers who cannot attend work because of illness or injury to be covered on full wages to the date of recovery or for a maximum of three (3) months whichever occurs first.

## **Maritime Super Death & TPD Coverage**

Recent agreements on FPSO's have made personal superannuation contributions voluntary. Members of Maritime Super should be aware that to be covered for Total and Permanent Disability and Death members have to be covered by the Contributory Accumulation category in the fund.

In this category, employers and working members have to contribute 13% and 5% of Fund Benchmark Salary respectively. That means if members are not choosing to contribute the minimum of 5% of their salary to the fund they are NOT covered for TPD and death.

Provisions in all agreements on FPSO's provide for these contributions to be salary sacrificed.

Members can read full details on the Maritime Super web page under Seafarers Section.

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