

**Merchant Shipping (Maritime Labour Convention) (Amendment) Act 2016  
(No. 29 of 2016)**

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The following Act was passed by Parliament on 9 November 2016 and assented to by the President on 21 December 2016:—

**MERCHANT SHIPPING (MARITIME LABOUR CONVENTION)  
(AMENDMENT) ACT 2016**

**(No. 29 of 2016)**

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I assent.

TONY TAN KENG YAM,  
*President.*  
21 December 2016.

**Date of Commencement: 18 January 2017**

An Act to amend the Merchant Shipping (Maritime Labour Convention) Act 2014 (Act 6 of 2014) and to make a related amendment to the Work Injury Compensation Act (Chapter 354 of the 2009 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

**Short title and commencement**

**1.** This Act is the Merchant Shipping (Maritime Labour Convention) (Amendment) Act 2016 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

**Amendment of section 23**

**2.** Section 23(2) of the Merchant Shipping (Maritime Labour Convention) Act 2014 (called in this Act the principal Act) is amended by deleting the full-stop at the end of paragraph (c) and substituting a semi-colon, and by inserting immediately thereafter the following paragraph:

- “(d) where, in violation of the requirements of this Act or the terms of the seafarer’s employment agreement —
- (i) the seafarer is left by the shipowner without the necessary

maintenance and support (including adequate food, accommodation, drinking water supplies, essential fuel for survival on board the ship and necessary medical care); or

- (ii) where the seafarer's ties with the shipowner have been unilaterally severed by the shipowner including where the shipowner has failed to pay the seafarer's contractual wages for a period of at least 2 months.”.

### **Amendment of section 34**

3. Section 34 of the principal Act is amended —

(a) by deleting subsection (2) and substituting the following subsection:

“(2) The requirement mentioned in subsection (1) is that there is in force a contract of insurance or other financial security —

(a) that is contracted with, or provided by, an approved financial security provider;

(b) that is adequate to ensure that the shipowner will be able to meet any liabilities the shipowner may have —

(i) arising from the shipowner's obligation to repatriate a seafarer; or

(ii) to provide compensation in the event of death or long-term disability to seafarers arising from occupational injury, illness or hazard; and

(c) that contains such terms and conditions, and meets such other requirements, as may be prescribed.”;

(b) by deleting the words “subsection (2)” in subsection (3) and substituting the words “subsection (2)(b)”;

(c) by deleting the words “section 23 of” in subsection (3)(b); and

(d) by inserting, immediately after subsection (4), the following subsection:

“(5) In this section, “approved financial security provider” means a provider of insurance or other financial security that has been approved by the Director under section 34A for the purposes of this section.”.

## **New section 34A**

4. The principal Act is amended by inserting, immediately after section 34, the following section:

### **“Approved financial security provider**

**34A.**—(1) The Director may approve, with or without terms or conditions, a person who provides insurance or other financial security services as an approved financial security provider for the purposes of section 34.

(2) In determining whether or not to approve any person as an approved financial security provider, the Director —

(a) must have regard to whether —

- (i) the person is able and willing to meet the requirements of a financial security provider under this Act; and
- (ii) the insurance or other financial security provided by the person will comply with the requirements of this Act; and

(b) may have regard to any other matter that the Director considers relevant.

(3) The Director may, by written notice to an approved financial security provider, vary any term or condition of approval.

(4) The Director may revoke the approval of a person as an approved financial security provider if the Director is satisfied that —

- (a) the person is not able or willing, or has failed, to meet the requirements of a financial security provider under this Act;
- (b) the insurance or other financial security provided by the person does not comply with the requirements of this Act;
- (c) the person has breached any term or condition of approval; or
- (d) it is otherwise not suitable for the person to continue to be an approved financial security provider.

(5) The Director must, before taking any action under subsection (3) or (4), give written notice to the approved financial security provider of the Director’s intention to take such action and give the approved financial security provider an opportunity to submit reasons why the terms or conditions of approval should not be varied, or why the approval should not be revoked, as the case may be.

(6) A person aggrieved by any of the following decisions of the Director

(called in this section the appellant) may appeal to the Minister against the decision:

- (a) the refusal to approve the appellant as an approved financial security provider;
- (b) the imposition of any term or condition upon the approval of the appellant as an approved financial security provider;
- (c) the variation of any term or condition of approval of the appellant as an approved financial security provider;
- (d) the revocation of the approval of the appellant as an approved financial security provider.

(7) An appeal under this section —

- (a) must be in writing;
- (b) must specify the grounds on which it is made; and
- (c) must be made within 14 days after the date of receipt of the decision that is appealed against.

(8) An appellant who makes an appeal to the Minister under this section must provide such information as may be required by the Minister in such manner and within such period as may be specified by the Minister.

(9) The Minister may reject an appeal of an appellant who fails to comply with the requirements of subsection (7) or (8).

(10) After consideration of an appeal, the Minister may —

- (a) reject the appeal and confirm the Director's decision; or
- (b) allow the appeal and substitute or vary the Director's decision.

(11) The Minister's decision on an appeal is final.

(12) Every appellant must be notified of the Minister's decision under subsection (10).

(13) An appeal against the Director's decision does not affect the operation of the decision appealed against until the determination of the appeal.”.

## **Amendment of section 82**

**5.** Section 82(2) of the principal Act is amended —

- (a) by deleting the word “and” at the end of paragraph (x); and
- (b) by deleting the full-stop at the end of paragraph (y) and substituting a semi-colon, and by inserting immediately thereafter the following paragraphs:
  - “(z) prescribe the terms and conditions that a contract of insurance or other financial security mentioned in section 34(2) must contain, including —
    - (i) terms and conditions relating to all or any of the following:
      - (A) scope of coverage;
      - (B) right of seafarers covered by the contract of insurance or other financial security to claim under the contract of insurance or other financial security;
      - (C) submission and handling of claims;
      - (D) interim payments;
      - (E) minimum service standards;
    - (ii) a condition that the liability of the provider of the insurance or other financial security under the contract of insurance or other financial security will not cease before the end of the period of validity of the contract of insurance or other financial security unless the provider has given the Director prior notice of the pending cessation of liability of such minimum length as may be prescribed; and
    - (iii) any other term or condition necessary or desirable to ensure that the contract of insurance or other financial security meets the requirements of section 34;
  - (za) prescribe the terms and conditions that a contract of insurance or other financial security mentioned in section 34(2) must not contain;
  - (zb) provide that terms and conditions contained in a contract of insurance or financial security mentioned in

section 34(2) in breach of any prescription mentioned in paragraph (za) are to be treated as having no effect;

(zc) provide for —

(i) a certificate of the contract of insurance or other financial security mentioned in section 34(2) to be carried, and displayed, on board the ship to which the certificate relates; and

(ii) the form of the certificate;

(zd) require a shipowner to give prior notification of the cancellation or termination of the contract of insurance or other financial security mentioned in section 34(2) to the seafarers to whom the contract of insurance or other financial security relates; and

(ze) require the person who provides insurance or other financial security under a contract of insurance or other financial security mentioned in section 34(2) to give notice to the Director if the contract of insurance or other financial security is cancelled or terminated.”.

### **Amendment of Second Schedule**

6. The Second Schedule to the principal Act is amended by inserting, immediately after item 14, the following items:

“15. Financial security for repatriation.

16. Financial security relating to shipowner’s liability.”.

### **Related amendment to Work Injury Compensation Act**

7. Section 20 of the Work Injury Compensation Act (Cap. 354) is amended by deleting the full-stop at the end of paragraph (f) and substituting a semi-colon, and by inserting immediately thereafter the following paragraph:

“(g) section 23 does not apply in respect of a seaman who is an employee in respect of whom there is in force a contract of insurance or other financial security under section 34 of the Merchant Shipping (Maritime Labour Convention) Act 2014 (Act 6 of 2014) covering the liabilities of the shipowner in respect of the seaman under that Act.”.