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Social security for seafarers globally

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ABSTRACT

Background: The social security protection is one of the essential elements of decent work. The issue is complex and no previous epidemiological studies of the coverage among the seafarers have yet been performed.

Aim: The aim was to overcome the gap of knowledge to promote the further discussion and plan the implementation of the social security for all the seafarers.

Materials and methods: The seafarers completed a short questionnaire concerning their knowledge about their social security status.

Results: The significant disparities in the social security coverage were pointed out among the nationalities. Especially it is worth mentioning that more than half of the respondents believe they are economically uncovered for disability from an injury on board and from a work-related disease.

Conclusions: The results confirm the ILO (Convention No. 143) statements that the significant part of the seafarers comes from the poorer countries without the substantial social security systems. The solutions suggested are to implement the minimum requirements as recommended by the ILO 2006 Convention, to survey the implementation and – in the long term – to struggle for a global social equality.

(Int Marit Health 2013; 64, 1: 30–35)

Key words: social security, insurance, seafaring, injury, health, occupational, epidemiology

INTRODUCTION

Working and living conditions in the merchant fleet have significantly improved during the latest decades. However, there are a number of areas where the improvements still have to be seen, such as seafarers having equal access to the social security. The social security protection is one of the essential elements of decent work. Unfortunately, it is also one of the most complex issues to implement, particularly in the globalised sector, such as the maritime industry. The workers and the employers are often based in the different countries, having different approaches to the provision of the social security and often varying levels of the economic and social development [1]. The social security as a standard at the international level for all the

seafarers, including the fishermen, is an ambitious goal. The attempts to improve the situation have been made in the previous century, through the 1946 Social Security Seafarers Convention, revised in 1987, and still not yet entered into force [2]. Legal practitioners and labor organisations dealing with the seafarers' and fishermen's rights in practice, including shipping and human rights, and labour lawyers as well, might be interested in this issue [3]. Also institutions specialising in the maritime issues, ship owners and other parties active in the maritime and fishing industry, such as insurers, can be concerned in this subject. The lack of equal access to the social security for seafarers historically has been described [4]. A workshop led by the International Maritime Health Association (IMHA)

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on the social security was held in Panama in 2006. During the workshop and afterwards became clear that the issue is complex and no previous epidemiological studies had yet been performed. The recommendation was to establish the research as a basis for the further discussions [5]. The objective with this first study is to describe the prevalence of the most common types of the social security, such as the old age pension and the disability pension in a sample of the seafarers. The hypotheses are: many seafarers lack access to the adequate social security and the seafarers do not always know whether they are covered or not.

MATERIALS AND METHODS

The social security is defined as a public financial support system that will go into force in case of permanent disease and/or disability, death, unemployment, pregnancy or retirement, and that can be obtained through the insurance and/or a pension system. The systems are collective and can either be private and/or publicly paid. Private savings to be used for the self-insurance or the self-pensions are not included within the definition of the social security. The shorter term social protection based on the ship owners' liability, as well as for medical care during the period of employment has, according to the ILO, not given rise to the significant difficulty and has been not included here [1]. Different types of the social security retirement before and after the age of 60, permanent disability due to an occupational accident or disease, death, unemployment, pregnancy or retirement have been used in the short questionnaire (Fig. 1). The seafarers have been asked to fill out such a questionnaire during their regular health examinations and in some seamen's welfare centres. The short questionnaires enable the seafarers to complete a questionnaire in a short time, while waiting for the health examination's results. The questionnaires have been separated from the health examinations. The same method has been used in a large international study on the seafarers' health and safety [6]. The 1-page questionnaire has been pretested in the English version and after the corrections translated into Spanish and Danish (Fig. 1). The study questionnaires have been collected in Panamá, Denmark, Spain and in a number of seamen's welfare centres in the different parts of the world. All the seafarers, including those employed at high seas, international, factory fishing vessels and employees on the supply ships, ferry boats, pilot boats, etc. have been included in the study. The employees on the offshore installations or oil-drilling platforms and also coastal fishermen have not been included. The project has been carried out under the observation of good scientific and ethical practice [7, 8]. The completion of the questionnaire has been voluntary, under the informed consent, with full confidentiality. No personal data have been included, so

that full confidentiality could be kept. For the non-participants, empty questionnaires with the information on age and nationality have been kept in the box for the calculation of the non-response percentage. Data entry has been done in Epi-data and analysed in the IBM SPSS Statistics 19 and Excel programs.

RESULTS

In all, 127 seafarers have completed the questionnaires (Panamá: $n = 56$, United Kingdom: $n = 29$, Spain: $n = 22$, Denmark: $n = 20$). Less than 10 have refused to participate. The participants from Panama and United Kingdom represented many different nationalities, i.e. Bangladesh, China, the Philippines, Honduras, India, etc. The mixed group of the "other nationalities" has been mainly sampled in Panama and the United Kingdom. The average age was 40.3 (19–64) years with 123 males and 4 females. The Spanish participants have been nearly all from the fishing vessels and eight of them have been the vessels owners.

COVERAGE OF THE SOCIAL SECURITY

There are clear differences in the social security coverage among different nationalities and according to the different types of the social security (Table 1). In general, the coverage for the non work-related permanent disability, family financial assistance in case of death, during and after pregnancy and early retirement before 60 is generally low in all the countries. Also the coverage for the work-related disease and disability from an injury on board is low, except for the Filipinos.

KNOWLEDGE

The seafarers' knowledge on whether they are covered or not for different types of the social security has a wide variation from 0% to 37%.

PAYMENT OF THE PREMIUM

The question: "Who pays the premium in case you have the social security?" and those who have answered "Yes, I am covered." are in the Table 2. On average, the premiums are paid by the seafarers themselves in one third, and by the ship owner in nearly half of the cases.

DISCUSSION

To our knowledge, this is the first study describing the coverage among the seafarers by the social security. The results confirm the hypothesis that, despite the international conventions declaring the seafarers rights to full social security, it has not been achieved. The small study sample and the few countries represented may be the weaknesses of the study and may not suffice for the strong conclusions, however, it provides some new information

Figure 1. The questionnaire in English

SURVEY ON SEAFARERS SOCIAL SECURITY ACCESS (LATEST REVISION MARCH 2011)

The aim is to study the seafarer's access to the social security in order to promote the equal conditions on the social security globally. The questionnaire is anonymous, participation is voluntary and nobody can be recognised in the analysed results. It will not affect your health examinations in any way. If you are in doubt about any question, please ask the reception. When completed, put the questionnaire in the envelope and leave it in the clinic's reception. Thank you very much in advance for your help.

Nationality: Panamanian Other
 Gender: Male Female
 Year of birth: 19_____ Age _____ years old

About the latest ship you have worked on:

The ship's flag state? Panama Other (specify) _____
 The ship owner's country _____ Don't know

What type of ship was it? (mark only one)

1 Container ship (built for containers) 7 Crude oil tanker
 2 Bulk carrier 8 Chemical and product tanker, e.g. petrol and paraffin
 3 RO-RO ship 9 Gas tanker
 4 Reefer 10 Other tanker
 5 Dry cargo ship 11 Supply ship
 6 Passenger ship/ferry/cruise ship 12 Fishing vessel

What was the ship's tonnage? (mark only one)

Less than 500 GT 500-10,000 GT 10,001-100,000 GT More than 100,000 GT

Your position on board? 1 Officer 2 Not officer

Your main duties on the ship? (mark only one)

Deck (also bridge) Engine room Service (also catering) Other

Are you covered economically sufficient to live by a pension or insurance in the following conditions? (please tick only one in each row)

Old age retirement after 60	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
Early retirement before 60	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
Disability from a work-related disease	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
Disability from an injury on board	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
Permanent disability not work-related	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
Prolonged sick leave (+ 3 months)	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
Family economical assistance in case of death	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know
During and after pregnancy	<input type="checkbox"/> Yes, I am covered	<input type="checkbox"/> No, I am not covered	<input type="checkbox"/> Do not know

If you are covered, who pays the insurance premium? (please tick only one in each row)

Old age retirement after 60	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
Early retirement before 60	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
Disability from a work-related disease	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
Disability from an injury on board	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
Permanent disability not work related	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
Prolonged sick leave (+ 3 months)	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
Family economical assistance in case of death	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know
During and after pregnancy	<input type="checkbox"/> I pay myself	<input type="checkbox"/> The ship owner	<input type="checkbox"/> The state	<input type="checkbox"/> Do not know

on the status of the social security coverage of the seafarers. The study gives us an inclination for contrasting the social security coverage among the nationalities and the low coverage for some types of the social security in many countries. A strength of this study is the definition of the different types of the social security coverage used in the study, what would be a good impetus for a more

fruitful discussion in the future (Fig. 1). This also raises the relevance of an international categorisation of the social security types.

COVERAGE OF SOCIAL SECURITY

It is observed from the data that there are some marked differences in the coverage for the different items of the social

Table 1. Coverage for the social security by the nationality (total n = 127) (% of those who answered the questions)

	Panama (9)	Denmark (20)	Spain (26)	Philippines (29)	Other (43)
Coverage = Yes I am					
Old age retirement after 60	0%	86%	68%	78%	30%
Early retirement before 60	0%	31%	55%	33%	14%
Disability from a work-related disease	22%	72%	38%	96%	44%
Disability from an injury on board	22%	83%	33%	96%	49%
Non work-related permanent disability	22%	71%	35%	32%	33%
Prolonged sick leave (+ 3 months)	14%	69%	33%	63%	42%
Family economical assistance in case of death	33%	71%	50%	88%	29%
During and after pregnancy	0%	38%	20%	69%	14%
Covered = I don't know					
Old age retirement after 60	0%	5%	5%	7%	20%
Early retirement before 60	0%	31%	5%	8%	33%
Disability from a work-related disease	0%	22%	0%	0%	33%
Disability from an injury on board	11%	11%	6%	0%	27%
Non work-related permanent disability	0%	18%	6%	8%	33%
Prolonged sick leave (+ 3 months)	0%	13%	11%	8%	33%
Family economical assistance in case of death	11%	18%	11%	8%	37%
During and after pregnancy	0%	25%	7%	25%	36%

Table 2. Covered = yes: Who pays the premium for the insurance?

	I pay myself	The owner	The state	Do not know	Private funds	Total
Old age retirement after 60	46% (27)	24% (14)	20% (12)	8% (5)	2% (1)	59
Early retirement before 60	22% (6)	37% (10)	26% (7)	4% (1)	11% (3)	27
Disability from a work-related disease	22% (12)	62% (34)	5% (3)	7% (4)	4% (2)	55
Disability from an injury on board	13% (8)	66% (41)	5% (3)	13% (8)	3% (2)	62
Non work-related permanent disability	44% (15)	35% (12)	9% (3)	6% (2)	6% (2)	34
Prolonged sick leave (+ 3 months)	24% (10)	59% (24)	2% (1)	10% (4)	5% (2)	41
Family economical assistance in case of death	35% (17)	42% (20)	10% (5)	8% (4)	4% (2)	48
During and after pregnancy	40% (6)	40% (6)	13% (2)	7% (1)	0% (0)	15

security. In the Philippines the seafarers are covered at 100% in some of the items, while in Panama, it is 0% in most of the items. Coverage for the injury on board is low, except for the Filipinos. Yet it is not known how long they have been covered!

These results may partly be attributed to the confusion about the way the questions have been understood. Furthermore, it may also be due to the fact that the seafarers have wanted to present a good image of the social structure in their respective countries. It is also worth mentioning that the Danish participants have not felt that they are covered in some of the items, even if the Danish social security system gives the full coverage as a public system

for all in fact. In many other countries, the citizens have to pay a monthly premium to stay permanently secured. The employer often pays the premium, but only as long as one is employed. Later, one has to pay by his own every month from the smaller income or savings as an unemployed. This becomes a major issue among the seafarers from developing countries who are hired on the contractual basis by the foreign principals. In the Philippines, the manning agencies are normally required to pay the employer's share of the social security and the health insurance premiums when the seafarer is on the contract. When they are not, normally the payment stops. Other manning agencies do not practice

this scheme, leaving the seafarer to pay on his own, if he wishes to. In some other countries, there is no knowledge on how these systems are running today, which calls for the further investigation.

KNOWLEDGE STATUS

In general, the knowledge on the coverage is quite high. Still it is remarkable that the Danish seafarers answer they are not covered in case of an occupational injury on board, even if they are covered by law in fact. There might be misunderstandings or it might be due to the wish to keep a good image of the social security in the own country. Another reason is the inability of the seafarers to differentiate between the short-term assistance and the long-term disability benefits. The short-term care provision is the care provided right at the time of the accident to repatriation and care at home country similar to the accident insurance. Normally, the shipping company provides this for a certain period of time such as few months from the accident. This is to differentiate from the long-term care handled by the social security through the disability benefits, which are few months after the accident. The seafarers do not normally scrutinise the legal papers and different rules and regulations, as their priority is to go on board and earn the money. Another important reason might be the language problem. This could be especially true among the Filipino seafarers, whose mother language is Tagalog while the working language on board is English. The English language questionnaire might cause misunderstandings that need to be taken into consideration in the future studies. These and other methodological problems have to be addressed in the future studies also.

PAYMENT OF PREMIUM

The social security systems vary much across the countries. In the EU countries, there is the social security for all the citizens. There are however differences among these systems in the different European countries [9]. The premium is either drawn directly from the taxes, from the salaries or paid personally. On average in this study, the seafarers pay for themselves in one third, and the ship owners in nearly half of the cases. Less than 5% have their own private social security. There are some other important questions related to the payment, for example whether the premiums are paid by the ship owner or the manning agencies or by the seafarers only during embankments, and not during home periods and unemployment – and whether the social security is covered fully in case the premium has not been paid for some time.

SEAFARERS AS MIGRANT WORKERS

The ILO Convention No. 143 Migrant Workers (Supplementary Provisions), 1975, stipulates actions towards

the protection of “the interests of workers when employed in countries other than their own”. As the significant part of the seafarers is employed in the other countries, they are the “migrant workers” who experience similar low (unknown) levels of the social security coverage, as described in other professional groups. A large part of the seafarers on Organisation for Economic Cooperation and Development (OECD) owned ships comes from the developing countries with lower wages and thus preferable for the ship owners and other employers. This inevitably adds to the actual issue that the migrant workers face coming from the countries having no adequate social security system. As exemplified by the Turkish Aegean small-scale fishermen of whom 29% did not have any social security cover [10]. Newly arrived immigrants in Canada have lower insurance rates across all the occupations, compared to the longer-settled immigrants and the native-born persons. Improvements are observed among the immigrants with longer length of residence, while the second generation reaches parity with the third generation residents. The coverage differs by occupation, with high-skilled occupations maintaining high levels and lower-skilled occupations experiencing the largest gains [11].

THE ILO'S RECOGNITION OF THE PROBLEM

The ILO recognises that many countries have a major problem with respect to the provision of the essential complementary support to cover the longer-term risks and ensure the social protection for the seafarers themselves and their dependants following the end or the interruption of the seafarers' employment. The ILO also recognises that the social protection is primarily provided by the seafarer's state of the ordinary residence, but in the countries concerned, there may be no state-based system of the social security for any workers. In addition, many more countries – even those with the advanced systems of the social security for their nationals and residents – may have problems in ensuring that the adequate social protection is provided to the seafarers working on the ships flying their flag but coming from countries providing little or no social protection to their nationals and residents.

PROPOSAL OF SOLUTIONS

To address the issues and the problems, the ILO has published two guidance handbooks on how to improve the coverage required under the Regulation 4.5 of the Maritime Labour Convention (MLC) 2006. There is a minimum of the three areas that need to be notified to the Director-General of the ILO in order to comply with the conventions. As one of the largest flag states, the Bahamas state, has come up with a plan on how to comply with the MLC 2006. The Bahamas proposal mentions the point in the plan that will

come to be realised, however, there is no specification as to which types of the social security coverage they are and thus cannot be controlled. The issues in the obligatory plan are not specified in relation to the type of the coverage. This will be difficult for the ship owners, for the seafarers and for the authorities to understand what are their obligations and what rights and issues to control, thus the details of the plan need further clarification. During the IMHA workshop, it was later proposed to establish an international fund. However, this idea did not gather the support from the international organisations. One of the reasons could be that this would not solve the root of the problem, that is the state of poverty and lack of the social security for the migrant seafarers in their own countries. The social systems would be so huge and so the financial demand for any funding would be impossible to set up. Furthermore, such a proposal would benefit most ship-owners to continue hiring cheap labor, and this would not help in any way the World Health Organisation's goals of health for all. Another reason might be the lack of the definition and the delimitation on which types of the social security should be included in such a funding scheme, such as the old age pension, etc. The long way forward is to address the root causes through a continued struggle for the global social equality in order to alleviate the poverty and hence solve the inequality of the social security. Still the short-term goal is to encourage complying with the MLC 2006 stipulating states' minimum obligations. To improve the implementation of the minimum obligations, one way is to organise the payments of the premium for all the seafarers deducted from the wages and paid directly to their national social security systems. In this way, the seafarers would be equally covered like the rest of the other workers in their countries.

IMPLICATIONS FOR FURTHER STUDIES

There is a long-term research task to follow the implementation of the different types of the social security and the effect on the seafarers. It is imperative to understand the differentiation of which types of the social security discussed to be able to study and follow the progress. Besides doing epidemiological surveys, an approach would be to ask different maritime countries on the statistics of the administrative social security systems on how the working population in the countries is covered.

CONCLUSIONS

The hypotheses of a lack of the social security and lack of knowledge on the personal social security coverage among the seafarers have been confirmed. The national differences in the social security coverage reflect the diversity of the global differences in the economic welfare that reflects the national social security systems. The long-term solution to address the root causes is to eradicate the poverty. However, the short-term solution is needed for the countries lacking adequate social security for all and also the surveillance of the implementation.

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