



TECHNICAL CIRCULAR No. 131 of 4th June 2013

To:	All Surveyors/Auditors
Applicable to flag:	All Flags
Subject:	MLC 2006, Title 4, C4.2, Shipowners' liability
Reference:	MLC, 2006 – Maritime Labour Convention, 2006

MLC 2006, Title 4, C4.2

C4.2. Shipowners' liability

C4.2.a. What is shipowners' liability?

In addition to providing for health protection and medical care on board and ashore, the MLC, 2006 also, under Regulation 4.2, requires flag States to ensure that all seafarers employed on their ships have material assistance and support from the shipowner with respect to the financial consequences of sickness, injury or death occurring while they are serving under a seafarers' employment agreement or arising from the employment under such agreement. These financial consequences include loss of wages and also medical and other costs. These provisions complement the protection set out in Regulation 4.1 regarding medical care on board ship and ashore and the long term protection under Regulation 4.5 regarding social security.

C4.2.b. When does shipowners' liability begin and end?

The liability of shipowners, under Regulation 4.2, to bear the costs for seafarers working on their ships in respect of sickness and injury begins on the date when the seafarers commence their duty and ends on the date upon which they are deemed duly repatriated, except that shipowners are also liable with respect to sickness and injury that arises from the seafarers' employment between the dates of commencement of duty and repatriation.

C4.2.c. What costs are included under shipowners' liability?

Regulation 4.2. paragraph 1 of the MLC, 2006 sets out the general principle that

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seafarers have a right to material assistance and support from the shipowner with respect to the financial consequences of sickness, injury or death occurring while they are serving under a seafarers' employment agreement or arising from their employment under such agreement. The question of what are considered financial consequences is a matter for national laws and regulations. Standard A4.2, paragraphs 1 to 4 and 7 of the MLC, 2006 requires the following costs to be covered as a minimum:

- the expense of medical care, including medical treatment and the supply of medicines and therapeutic appliances, and board and lodging away from home until the sick or injured seafarer has recovered or until the sickness or incapacity has been declared of a permanent character [see C4.2.d. Are there any limits on shipowners' liability?]; where sickness or injury results in incapacity for work, full wages as long as the sick or injured seafarers remain on board or until the seafarers have been repatriated; and wages in whole or in part, as prescribed by national laws or regulations or as provided for in collective agreements, from the time when the seafarers are repatriated or landed until their recovery or, if earlier, until they are entitled to cash benefits under the legislation of the country concerned; [see C4.2.d. Are there any limits on shipowners' liability?];
- financial security to assure compensation in the event of the death or long-term disability of seafarers due to an occupational injury, illness or hazard, as set out in national law, the seafarers' employment agreement or a collective agreement;
- the cost of burial services in the case of death on board or ashore during the period of engagement;
- the cost of safeguarding the property of seafarers left on board by sick, injured or deceased seafarers.

C4.2.d. Are there any limits on shipowners' liability?

Under Standard A4.2, national laws or regulations may limit the liability of the shipowner to defray the expense of medical care and board and lodging, as well as the liability to pay wages in full or in part [see C4.2.c. What costs are included under shipowners' liability?] to a period which must not be less than 16 weeks from the day of the injury or the commencement of the sickness [see C4.2.f. Are there any exceptions to shipowner liability?].

C4.2.e. Does the MLC, 2006 specify a particular form for the financial security that shipowners are to provide?

No particular form is prescribed for the financial security to assure compensation in the event of the death or long-term disability of seafarers due to an occupational injury, illness or hazard [see C4.2.c. What costs are included under shipowners' liability?]. It could take various forms (e.g., insurance or a bond).

C4.2.f. Are there any exceptions to shipowner liability?

Under Standard A4.2, paragraph 5, national laws or regulations may exclude the shipowner from liability in respect of:

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(a) injury incurred otherwise than in the service of the ship;
(b) injury or sickness due to the wilful misconduct of the sick, injured or deceased seafarer; and
(c) sickness or infirmity intentionally concealed when the engagement is entered into.
Standard A4.2, paragraph 6 allows national laws or regulations to also exempt the shipowner from liability to defray the expense of medical care and board and lodging and burial expenses in so far as such liability is assumed by the public authorities.
Guideline B4.2, paragraph 2 recognizes that national laws or regulations may provide that a shipowner ceases to be liable to bear the costs of a sick or injured seafarer from the time at which that seafarer can claim medical benefits under a scheme of compulsory sickness insurance, compulsory accident insurance or workers' compensation for accidents.
C4.2.g. What happens if the country has public system of coverage for these incidents?
[See C4.2.f. Are there any exceptions to shipowner liability?].

REFERENCES:

- **MLC, 2006 – Maritime Labour Convention, 2006**

ATTACHMENTS: No.

Kindest Regards,
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