

# Seafarer Complaints and other welfare issues reported to MACI (2023)

## Introduction

The Shipping Master is an officer of the Maritime Authority of the Cayman Islands (MACI) who is appointed under section 10 of the Maritime Authority Act.

The Shipping Master primarily deals with crew welfare issues including complaints regarding things such as accommodation, food, repatriation, working hours, payment of medical expenses and assisting resolution of wage disputes. The Shipping Master is available to all crew on all vessels, even those that are fully privately registered where the Maritime Labour Convention (MLC) does not apply.

The remit of the Shipping Master is restricted to issues governed by the Merchant Shipping Act and associated regulations and the statutory requirements of any contract made thereunder. The Shipping Master is generally not able to assist in non-contractual disputes and claims and cannot definitively rule on disputes and claims that do not relate to a statutory requirement or entitlement though can offer advice and assistance on such issues.

The Shipping Master also handles inquiries into the conduct and fitness of seafarers to serve, as well as births and deaths onboard Cayman Islands vessels.

### **What happens when a seafarer complains?**

These reports are recorded, logged and followed up as appropriate.

- Any complaints made to the Shipping Master will be treated in strict confidence. However, should the seafarer wish this to be raised with the owner, Captain or management, the Shipping Master may have to name the complainant for the complaint to be acted upon. This will only be done if strictly necessary and only if the complainant has expressly given permission to be named;
- The Shipping Master will ask for as much information as possible and advise further, to try to resolve informally;
- Where informal resolution is unsuccessful the Shipping Master gathers evidence and, once express permission is given by the seafarer, writes to the owner, master or management to start mediation;
- If mediation proves unsuccessful then there is the option of a formal Shipping Master Decision which is binding on both parties<sup>1</sup>.

This report examines the complaints and other welfare issues reported to MACI during 2023.

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<sup>1</sup> See s96 of the Merchant Shipping Act (MSA) 2021 Revision

# Seafarer Complaints and other welfare issues reported to MACI (2023)

## Reported Complaints by Category of Complaint in 2023

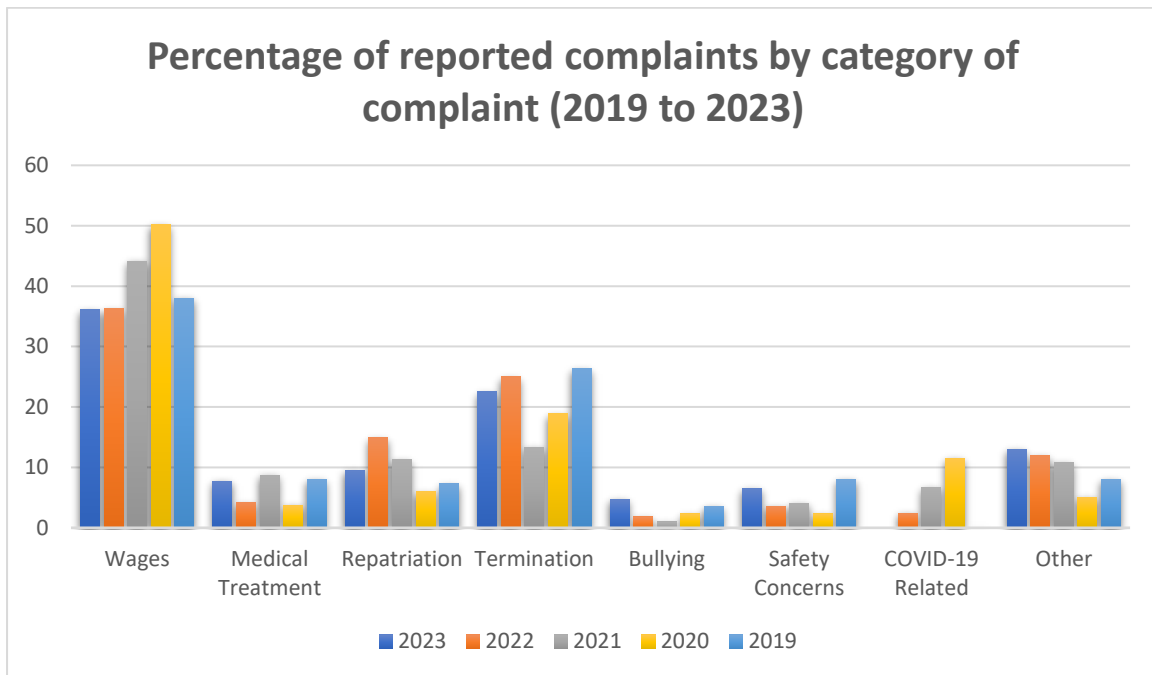
A total of **169** complaints<sup>2</sup> were reported to MACI during 2023 an increase of 1 compared to 2022. These can be broken down as follows –

	2023		2022		2021		2020		2019		Change 2023 - 2022
	Num	%	Num	%	Num	%	Num	%	Num	%	
Wage Disputes	<b>61</b>	<b>36.1%</b>	61	36.3%	86	44.1%	109	50.2%	52	38.0%	-
Medical Treatment	<b>13</b>	<b>7.7%</b>	7	4.2%	17	8.7%	8	3.7%	11	8.0%	+6
Repatriation	<b>16</b>	<b>9.5%</b>	25	14.9%	22	11.3%	13	6.0%	10	7.3%	-9
Termination	<b>38</b>	<b>22.5%</b>	42	25.0%	26	13.3%	41	18.9%	36	26.3%	-4
Bullying / Harassment	<b>8</b>	<b>4.7%</b>	3	1.8%	2	1.0%	5	2.3%	5	3.6%	+5
Safety Concerns	<b>11</b>	<b>6.5%</b>	6	3.6%	8	4.1%	5	2.3%	11	8.0%	+5
COVID-19 Related	<b>x</b>	<b>x</b>	4	2.4%	13	6.7%	25	11.5%	n/a	n/a	-4
Other <sup>3</sup>	<b>22</b>	<b>13.0%</b>	20	11.9%	21	10.8%	11	5.1%	11	8.0%	+2

<sup>2</sup> These are 94 separate complaints as some of the complaints cover more than one listed category

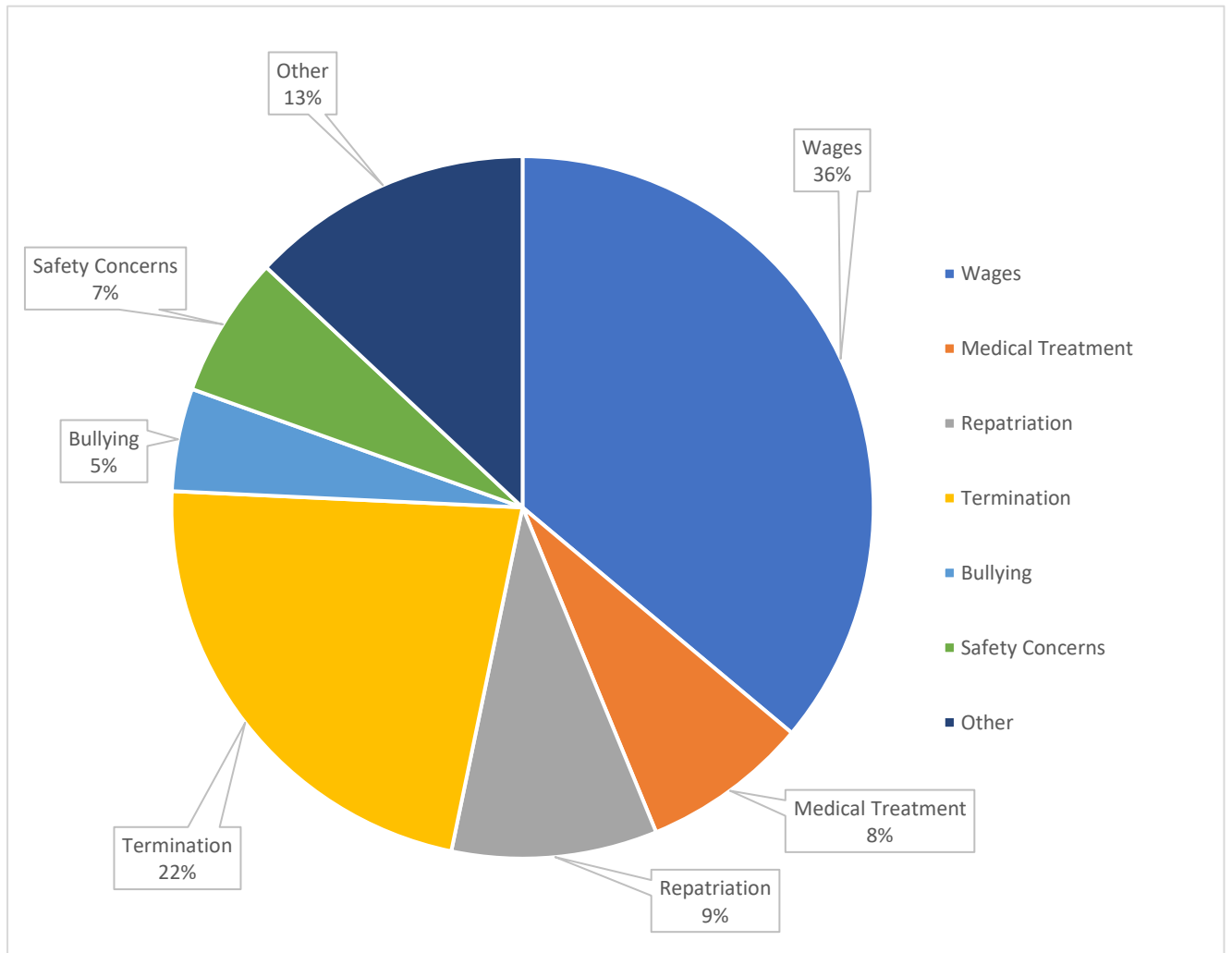
<sup>3</sup> See Categories of Complaint section

# Seafarer Complaints and other welfare issues reported to MACI (2023)



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Complaints by Category of Complaint reported during 2023

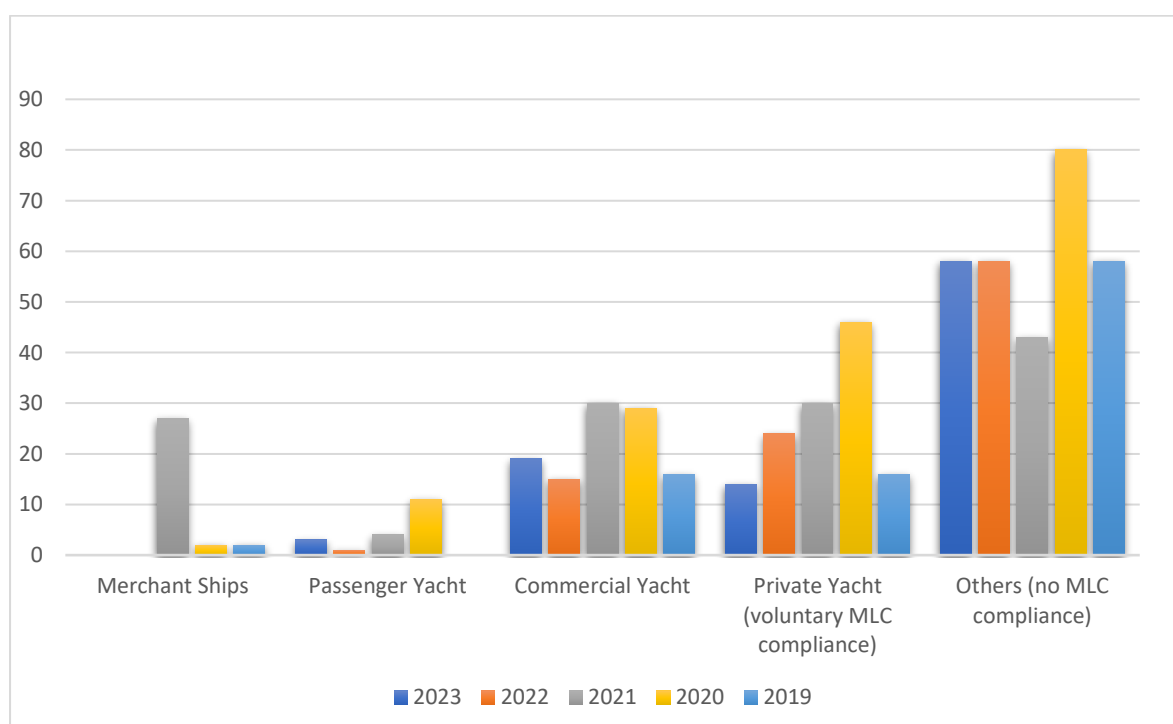


# Seafarer Complaints and other welfare issues reported to MACI (2023)

## Complaints by Vessel Registration type in 2023

As well as breaking down the reports by “category of complaint”, the incidents were also analysed as to ship type as follows<sup>4</sup> –

	2023		2022		2021		2020		2019		Change 2023 – 2022
	Num	%	Num	%	Num	%	Num	%	Num	%	
Merchant Ships	0	0.0%	0	0.0%	27	20.3%	2	1.2%	2	2.2%	-
Passenger Yacht Code Compliant Vessels	3	3.2%	1	1.0%	4	3.0%	11	6.5%	n/a	n/a	+2
Commercial Yachts	19	20.2%	15	15.3%	30	21.8%	29	17.3%	16	17.4%	+4
Private Yachts (in voluntary MLC compliance) <sup>5</sup>	14	14.9%	24	24.5%	30	22.6%	46	27.4%	16	17.4%	-10
Others (pleasure vessels, etc)	58	61.7%	58	59.2%	43	32.3%	80	47.6%	58	63.0%	-



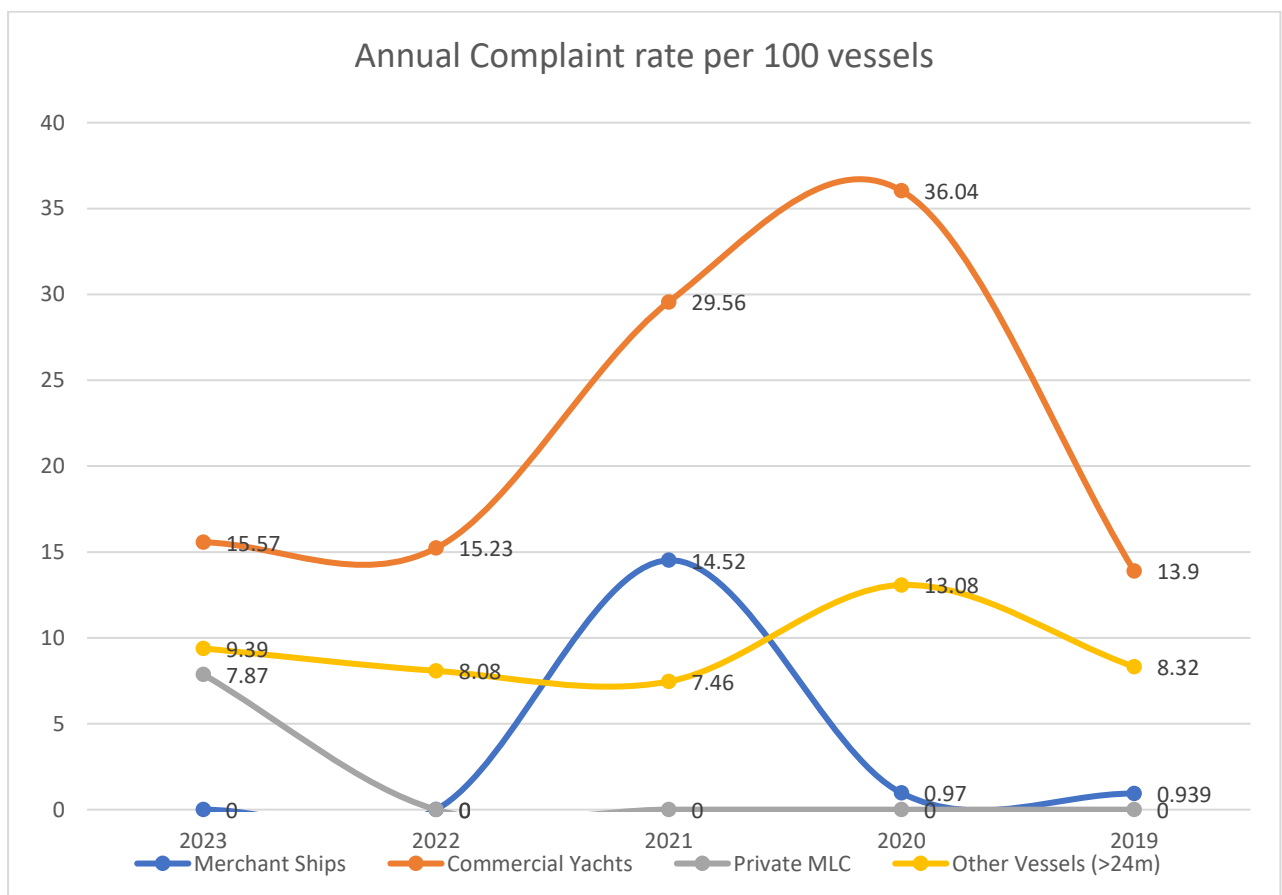
<sup>4</sup> This will include some multiple category complaints (as per note 1); these may also be complaints from multiple seafarers on a single vessel (each individual seafarer complaint is recorded separately).

<sup>5</sup> Some pleasure vessels may choose to voluntarily comply with the Maritime Labour Convention (MLC), 2006 as part of the Large Yacht Code and these are recorded distinctly from those which do not choose to maintain voluntary compliance.

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## Complaint rate by vessel type

Ship Type:	Number of units registered	Number of complaints:	Complaint rate per ship type:	2022 Rate	Change
Merchant Ships	108 <sup>6</sup>	0	0 per 100 units	0 per 100 units	=
Commercial Yachts <sup>7</sup>	122	19	15.57 per 100 units	15.23 per 100 units	- 14.33
Private yachts in Voluntary MLC Compliance <sup>8</sup>	178	14	7.87 per 100 units	Not recorded	n/a
Other Vessels <sup>9</sup>	873	82	9.39 per 100 units	8.08 per 100 units	+ 1.31 <sup>10</sup>



<sup>6</sup> This year's figures exclude those demise chartered out of the Cayman Islands

<sup>7</sup> Includes Passenger Yacht Code Compliant Vessels

<sup>8</sup> This is a new field which was previously combined with "other vessels"

<sup>9</sup> "other vessels" now only includes those not in voluntary MLC compliance this will impact on the complaint rate for 2023 also

<sup>10</sup> As previous years figures included private yachts in voluntary compliance this change may not be indicative

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## Categories of Complaint:

### Wages

Complaints about wages amounted to slightly over a third of all of the complaints received by the Shipping Master in 2023. This is the same amount as in 2022 but a significant decrease both in actual numbers and in the percentage of total complaints from 2021 and 2020 but still higher than 2019 (pre pandemic).

As in previous years most complaints relating to wages were for delays in payment. In addressing these sorts of complaints the Shipping Master normally advises seafarers to wait at least 2/3 weeks before involving the Shipping Master formally. However, informal advice is given straightaway which often resolves the issue without formal involvement. In the majority of cases the delays are short and may be due to an oversight, bank delays or public holidays in the owner's home country.

Sometimes wage delays are more "intentional" for instance when a seafarer has been terminated due to a falling out or for misconduct. In such cases there may be a reluctance on both sides to resolve amicably and the Shipping Master does become formally involved. In such cases the Shipping Master sometimes needs to affirm to owners and captains that recovery from wages of any costs other than for the actual costs of repatriation, subject to a cap, (following termination with cause) is not permitted and any recovery from seafarers should take place in the courts but wages should be paid in full. In most cases when the Shipping Master becomes formally involved in such cases then the issue is resolved fairly quickly through negotiation. Occasionally the two parties are unable to reach agreement and in such cases there are two options; either a binding Shipping Master decision or either party can take legal action. There were no requests for a formal decision regarding wages in 2023. A few disputes have resulted in legal action by one or both parties. In such cases the Shipping Master necessarily steps back from the dispute.

A complicating factor on some private yachts which are not voluntarily MLC compliant is where seafarers have no formal written contract. In such cases this makes involvement by the Shipping Master much more difficult. When a seafarer approaches MACI without a formal contract the Shipping Master cautions that it may prove difficult but tries to obtain as much information (text messages, emails etc) as possible to assist. Normally these disputes are resolved informally, as any other wage dispute, but sometimes where there is limited or no evidence it is impossible for the Shipping Master to become involved. The Merchant Shipping Act for the Cayman Islands will shortly be completely revised and as part of this there will be a statutory requirement for all seafarers (including on all pleasure vessels) to have a written contract signed by both parties. Whilst this will not provide similar rights to that under the MLC it is hoped that this will ensure that many disputes can be resolved much more easily and protect both the seafarer and the shipowners' interests. MACI will produce a shipping notice when this requirement comes into force.

MACI continues to strongly recommend prior to this being a statutory requirement that it is in both sides interests that all seafarers have a written contract when working on any Cayman Islands vessel.

Examples: A number of crew on a commercial yacht reported that there had been a series of short term delays in payment of wages though all was paid a few days late. However, one month there was a significantly longer delay without payment. The Shipping Master became involved and held much dialogue with the managers and it would appear that this delay was due to an intermediary bank

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between the owner's team and the employer which led to long delays. Eventually following Shipping Master involvement a direct payment was made without the need to go through an intermediary. All stated they were paid and there has been no recurrence. The Shipping Master did not pass this to enforcement because this was outside of the employer / owner's hands, however it did recommend that systems be put in place to prevent recurrence which may include a pre payment to cover wages in advance. If there is recurrence the Shipping Master will pass to enforcement.

A Seafarer on a pleasure vessel worked under a seasonal contract that does accrue leave which cannot be paid out at contract end (i.e. it must be taken during the period of employment). The seafarer complained that during some weeks they worked 7 days a week and were given time off at weekends on other weeks but this was then taken from accrued leave total. The Shipping Master confirmed that this is fine on a pleasure vessel and even if not the contract says leave cannot be paid out anyway.

A Seafarer on a commercial yacht was terminated with notice at the end of the minimum 16 week sick pay period. As they were not terminated prior to the end of this 16 week period they would be due notice according to their contract. The seafarer had accrued leave during their employment and this was offset against notice by the employer. The SEA is silent on this. A Union became involved and believes if SEA is silent then can't impose, however the Shipping Master disagreed and informed both parties of this.

## Medical Treatment

There were 13 complaints involving medical issues during 2023, this is a significant increase from 7 complaints last year. As in previous years most of these complaints involved delayed payment of medical claims where a seafarer paid themselves, or where the vessel has refused to provide treatment and the seafarer has had treatment anyway.

The liability for legitimate medical claims is on the vessel (under MLC this is for medical care onboard and up to 16 weeks afterwards, for private non-MLC vessels this is for the period onboard and up to the point of repatriation where necessary). Therefore, as far as possible treatment should be arranged and paid by the vessel / employer. Sometimes this may not be possible such as when the seafarer is on leave or has left the vessel (but the need for treatment arises from their time onboard). In such cases they should try to involve the vessel so that they are aware of a potential liability. In such cases when faced with a liability the employer / owner may well choose to request a second opinion on any diagnosis. Most vessels choose to maintain insurance against their liabilities for sick pay and medical treatment. However, it must be pointed out that even if insurance is held if there is any shortfall on any legitimate claim (such as a deductible or limit) or the insurance does not pay out the owner would still be liable for the whole costs.

Most claims were resolved quite quickly once the Shipping Master became involved and pointed out what probably should and shouldn't be paid.

### Examples:

A Seafarer on a commercial yacht was injured undertaking extreme sports when on annual leave (not shore leave), company refused to pay sick pay which the Shipping Master agreed would be acceptable. The seafarer then asked if when on leave they are formally signed off (which is normally the case). The contract has some quite ambiguous text which result in some debate on the wording that says "whilst



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employed” as seafarer remains employed even on leave. The Shipping Master indicated they cannot rule on that but suggested the seafarer may wish to seek legal advice.

A Seafarer on a voluntarily MLC compliant pleasure vessel was injured whilst on shore leave, vessel has initially said they won't cover medical expenses, sick pay or repatriation. The Shipping Master confirmed that when a seafarer is on shore leave then, unless one of the other (very strict) exemptions under MLC apply, that this is the same as being injured whilst on the vessel and full sick pay and medical rights apply. As a result the vessel agreed to cover medical, repatriation and sick pay until recovery.

A Seafarer on a pleasure vessel was off for a considerable time due to illness. The crew medical insurance over only covers 80% of costs. The Seafarer was off for more than 16 weeks and the medical was paid for 18 weeks which is less than 100% for 16 weeks. Whilst the vessel is not MLC compliant the contract in place does state that the seafarers are covered for medical as per MLC the Shipping Master reverted to confirm medical expenses should be paid in full (for the first 16 weeks).

## Repatriation

There were 16 complaints where repatriation was part of the dispute as in previous years often repatriation wasn't the focus of the dispute which was usually linked to termination, in particular when the termination was for cause. In such cases the vessel is liable to arrange for the repatriation but may be able to deduct the costs of doing so from the final wages (usually up to \$1000 CI and it should be noted that this is a cap and not an absolute figure).

Other issues relating to repatriation involved places for return not being the home (or a different place during the early stage of employment) in the contract. This is acceptable where the seafarer agrees in the contract or the seafarer wishes to delay repatriation rather than take it as soon as practicable or to fly somewhere else other than the place for return. Both of these are not rights and could be seen as declining the right of repatriation. Finally as with wage disputes where no contract is in place it can be difficult to resolve such issues.

Examples: A seafarer on a voluntarily MLC compliant pleasure vessel departed early with mutual agreement but they said they haven't been paid their leave pay or for repatriation. However, the repatriation destination is simply US and they disembarked in Fort Lauderdale, Florida which is within the US (note: if a repatriation destination is imply the country or a city then when they arrive in that country or city the responsibility on the shipowner ends).

A Seafarer on a pleasure vessel was injured in November but continued to work until the end of their rotation in January. They were then repatriated to the agreed place of return. They then had to have surgery as injury was worse than thought. The seafarer alleged issues with other crew prevented taking time off for injury and preventing return to work. The seafarer was at the agreed repatriation destination but hiring accommodation as surgery has delayed return to vessel and asked if this should be covered. The Shipping Master said no as they are at their place of return.

A Seafarer on a pleasure vessel resigned with notice to start new job. The seafarer didn't appear to require repatriation but is complaining that it wasn't provided (presumably in cash rather than flight as seems to have immediately started a new job). The Shipping Master confirmed that repatriation is only a right where required and should not simply be paid out as an alternative.

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## Termination

The second most common complaint (though often alongside complaints about wages/leave pay or repatriation) in 2023 related to termination. In many cases these were allegations of “unfair dismissal” which can be very difficult to prove and for seafarers is generally excluded from employment tribunals in most jurisdictions<sup>11</sup>. The Shipping Master usually cautions on this at a very early stage in the dispute and suggests if the seafarer does wish to appeal their dismissal that they speak to a lawyer. The Shipping Master will still get involved in any linked complaints, such as delayed wages, which are normally resolved.

Fairly common complaints linked with termination continue to occur where accrued leave was offset against the notice period where the seafarer served some or all of their notice period off the vessel. Provided the contract does not prohibit this and any balance of leave or notice is paid<sup>12</sup> there is nothing to prevent this from being implemented. Although unfair dismissal is generally not available, action for wrongful dismissal, (where the termination provisions of the contract are not followed) is actionable and the Shipping Master will assist in these cases.

Examples: A Seafarer on a commercial yacht was on a rotational contract and went on leave before their trial period ended. The seafarer handed in their notice very shortly after trial period ended (whilst on leave). The vessel has refused to pay all outstanding leave. The contract provides only for minimum leave in the trial period but much more afterwards. The Shipping Master concluded that the seafarer was probably by the letter correct as the trial period automatically ends if not formally extended. However, given the short period after the trial period and that they were on leave the Shipping Master declined to engage and suggested the seafarer seek legal advice if they wished to pursue this.

A seafarer on a commercial yacht was terminated during probation with immediate effect, however it was later deemed to be termination with notice. The employer decided to offset leave against notice (which is acceptable) however they have incorrectly decided not to pay the offset leave. The Shipping Master contacted the vessel’s manager who convinced them to change this to the full notice.

A Seafarer on a commercial yacht was terminated with immediate effect for alleged “drug misuse”. The Seafarer disputed this and said has taken a drug test to prove. The Shipping Master suggested the seafarer approaches the management company about this. Eventually all leave was paid out and payments which covered virtually full notice period and repatriation were paid out (even if these would not be due if termination happened for cause).

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<sup>11</sup> Whilst unfair dismissal is generally excluded the seafarer may be able to claim by virtue of his country of domicile

<sup>12</sup> As an example a seafarer’s contract requires 30 days’ notice of termination and they resigned and were asked to leave immediately. At that stage they had accrued 45 days leave. In such case they should be paid the 30 days’ notice pay and then a balance of 15 days accrued leave. If they had 20 days accrued leave then they would simply be due the 30 days notice period.

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## Bullying and harassment<sup>13</sup>

There have been 8 claims where bullying and/or harassment has been alleged which is 5 more than 2022 and the most since the data has been recorded. Sometimes these complaints are linked to termination and often raised rather a long time afterwards. In such cases this may be very difficult to prove though the Shipping Master asks for as much information as possible and what action the seafarer wishes to be taken.

In addition, whilst there have been no examples of this in 2023, where an allegation may be considered a breach of Cayman Islands criminal law MACI could offer to inform the Royal Cayman Islands Police Service (RCIPS) for their consideration of whether further action is appropriate. In most cases criminal activity would be investigated in the jurisdiction that the conduct was alleged to have taken place although the RCIPS may investigate crimes conducted on Cayman Islands vessels in international waters.

## Safety Concerns

There have been 11 complaints raising safety concerns as an issue. This is an increase from 6 in 2023 and is considerably more than the preceding 3 years however it matches 2019 where there were also 11 complaints.

Given that private vessels do not have to comply with SOLAS or the Large Yacht Code then complaints about “safety issues” on these vessels can be very difficult to investigate further unless the allegations would also break laws in the area (in which case MACI would advise involving the local authorities) or Cayman Islands Law. In the latter case could MACI offer to inform the RCIPS for their consideration of whether further action is appropriate. Whilst it is difficult to take action on such issues for purely private yachts, MACI does have the option to remove Certificates for vessels that may choose to hold these voluntarily, in the case of breaches of safety requirements.

When the Shipping Master has the permission of the seafarer and claims seem reasonable on commercially registered vessels (Ships and Yachts), or private yachts which have chosen the voluntarily comply with the Large Yacht Code, the Shipping Master can pass on the claims to the CISR survey team. They further investigate or enforcement action as deemed necessary such as noting on the file for future surveys or for an unannounced survey.

Example: A Seafarer on a voluntarily MLC compliant yacht was quite seriously injured when disembarking the vessel. The Shipping Master asked for as much information as possible and permission to involve survey enforcement as this did appear to be as a result of what appears to be a serious design issue. This was fully investigated by enforcement which resulted in action and a safety notice being published.

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<sup>13</sup> The 2016 Amendments to the MLC (which entered into force in 2019) require shipowners, companies and employers to specifically address bullying and harassment in their procedures

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## Other

There have been 22 complaints during 2023 relating to issues where there were not a significant number of similar complaints on such an issue as such these have been categorised as “other”. This is similar to 2022 but remains a significant increase over 2020 (and 2019) These complaints included:

- Food - 1
- Belongings/Personal Property – 1
- Visa issues – 1 – Example: A Seafarer joined a vessel and needed a visa and agreed to stay 12 months or reimburse costs (travel, expenses and visa cost). The seafarer left after 5 months and they recovered costs. A Union is involved. The Shipping Master confirmed owner must cover visa costs but can deduct travel time and expenses.
- Discharge Book / reference – 5
- Hours of Rest – 4: as per previous year’s report this is slightly surprising as anecdotally this is seen as a significant issue, in particular on yachts during “the season”.
- SEA Terms – 3 - Example: A seafarer’s organisation asked if seafarer can be expected to pay for a training course taken whilst employed if they subsequently resigned. The seafarer was told it would be reimbursed at the time however the contract has since been amended to require a 12 month stay before resigning or must reimburse. The Shipping Master said this would not be appropriate if simply enforced however had actually seafarer has signed to accept the change in terms as such unlikely to be able to assist.
- Tips/Bonus/Gratuity – 1: the Shipping Master cannot get involved in disputes over bonuses or gratuities unless these are contractually binding

# Seafarer Complaints and other welfare issues reported to MACI (2023)

## Findings from 2023

Looking at the circumstances surrounding the seafarer complaints and welfare issues reported to MACI:

- There was a slight decrease in separate complaints since 2022: from 98 to 94, but a small increase by category of complaint. Compared to 2020 this is a drop of over 40%.
- The total for 2022 (94) is now broadly similar to that in 2019 which was 92, i.e. before the COVID pandemic.
- In comparison to other similar flags (including the REG) we continue to see a very high number of complaints but it is considered that this is in part due to the fact that complaints get heard and seafarers do have options.
- There have been no complaints from Merchant Ships at all again in 2023.
- As per last year the percentage of complaints from pleasure vessels (those that are voluntarily MLC compliant and those that are not) is approximately 85 % of total complaints. However, complaints from commercial yachts considerably exceed those from pleasure vessels in voluntary MLC compliance.
- The vast majority of complaints continue to stem from pleasure vessels not in voluntary compliance with MLC (though the rate per 100 units is lower than for commercial yachts).
- 36% of all complaints concerned delayed or unpaid wages (the same as 2022). There has been a small decrease in complaints relating to termination which is broadly similar to the long term trends.
- Complaints about repatriation delays have decreased after significant increases in the previous two years. It is reasonable to conclude that this reflects a continuing settling down after COVID restrictions were relaxed across the world and the initial issues relating to sanctions have passed through.
- Complaints about medical treatment and sick pay have increased significantly this year, however much of these are from pleasure vessels where there is no statutory right to sick pay, or once repatriated, medical care.
- There has been a significant increase (though still less than 5% of all complaints) in the number of bullying and harassment allegations. Whilst concerning this may be partly attributed to the amendments to MLC which entered into force fairly recently along with much greater awareness in the industry and society in general of these issues.
- There was a significant increase in the number of allegations concerning safety issues reported to the Shipping Master. A number have been passed on to enforcement for further investigation.
- Most complaints are resolved fairly successfully and rapidly once the Shipping Master becomes formally involved.....or often if the seafarer mentions that has raised it!

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## Limitations

This report is a presentation of raw data with limited analysis. The sample sizes are small, variables are large, and no formal statistical analysis has been undertaken. Where limited analysis has been undertaken there is no evaluation of statistical significance. This report contains comparison of reports received for 2019 to 2022. With four years to compare, inferring any trends should be treated with caution.

“What is reported” does not automatically correlate to “What has occurred”.

## Reporting Complaints and other welfare issues

Complaints, concerns about working conditions and other welfare issues occurring on Cayman Islands vessels should be reported to the Maritime Authority of the Cayman Islands –

- By email:** [shipping.master@cishipping.com](mailto:shipping.master@cishipping.com)
- Via the website:** Please click [HERE](#)<sup>14</sup>
- By telephone:** +44 1489 799 203 or +1 345 9498831.

**Maritime Authority of the Cayman Islands.**  
January 2024.

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<sup>14</sup> <https://www.cishipping.com/policy-advice/shipping-master/contact-form-1>