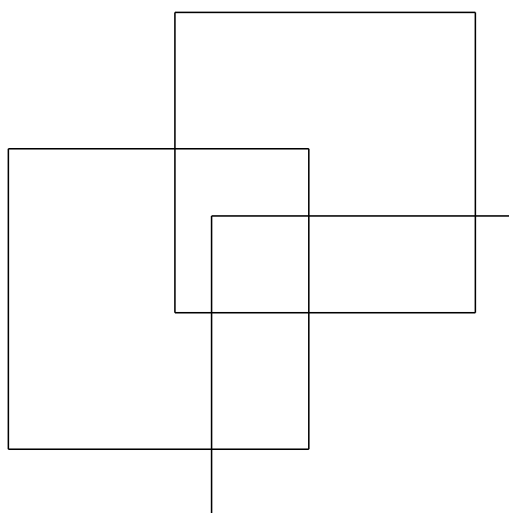




Subcommittee on Wages of Seafarers of the Joint Maritime Commission

Updating of the minimum monthly basic pay or wage figure for able seafarers: Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation, 1996 (No. 187); Maritime Labour Convention, 2006, Guideline B2.2.4 – Minimum monthly basic pay or wage figure for able seafarers
(Geneva, 26–27 February 2014)



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INTERNATIONAL LABOUR ORGANIZATION

Sectoral Activities Department

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Geneva, 2014

INTERNATIONAL LABOUR OFFICE, GENEVA

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Subcommittee on Wages of Seafarers of the Joint Maritime Commission: Updating of the minimum monthly basic pay or wage figure for able seafarers: Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation, 1996 (No. 187); Maritime Labour Convention, 2006, Guideline B2.2.4 – Minimum monthly basic pay or wage figure for able seafarers: Joint Maritime Commission, Geneva, 26–27 February 2014/International Labour Office, Sectoral Activities Department, Geneva, ILO, 2014.

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1. Introduction

1. The Governing Body of the International Labour Office, at its 317th Session (March 2013), decided to convene a meeting of the Subcommittee on Wages of Seafarers of the Joint Maritime Commission in 2014 to update the ILO minimum basic wage of able seafarers.¹ At its 319th Session, it decided that this meeting would be held in Geneva from 26 to 27 February 2014.²
2. The Subcommittee was established by the Governing Body at its 280th Session (March 2001) to meet every two years for the purpose of updating the basic pay or wages of able seafarers. According to Paragraph 10 of the Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation, 1996 (No. 187), the basic pay or wages for a calendar month of service for an able (seaman) seafarer should be no less than the amount periodically set by the Joint Maritime Commission or another body authorized by the Governing Body of the International Labour Office (see Appendix I).
3. The Maritime Labour Convention, 2006 (MLC, 2006), revises 37 existing maritime labour Conventions and replaces 31 maritime labour Recommendations, including the Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation, 1996 (No. 187). The provisions of Recommendation No. 187 have been incorporated in Guideline B2.2. More specifically, Part IV, Paragraphs 9, 10 and 11 of Recommendation No. 187, containing the provisions concerning the minimum monthly basic pay or wage figure for able seafarers, have been replaced by Guideline B2.2.1(a) and Guideline B2.2.4 of the MLC, 2006 (see Appendix II). It is important to note that no substantive changes to the provisions concerning the minimum monthly basic pay or wage figure for able seafarers have been made. The MLC, 2006, entered into force on 20 August 2013. With the entry into force of the Convention, the relevant provisions of the MLC, 2006, concerning wages have therefore become applicable. Consequently, any reference to the minimum wage figure relates to the applicable provisions of the MLC, 2006.
4. The current methodology for updating the basic pay or wages of able seafarers is based on that adopted by the Joint Maritime Commission at its 26th Session (October 1991). This methodology recommends: (i) that the basic pay or wage be based on the list of countries and areas that are representative of maritime nations (those with at least 2 million gross tons of shipping) and of countries and areas which are major suppliers of seafarers (those with at least 10,000 seafarers); (ii) that the formula utilize the average US dollar equivalent exchange rate for the three most recent months in order to minimize the short-term effect of drastic fluctuations in currency exchange rates; (iii) that the period of measurement of the changes in consumer prices correspond to the full period of time between adjustments; and (iv) that the formula include a weighting of one for countries and areas with fewer than 10,000 seafarers and of two for those with 10,000 or more (see Appendix III for the full text of the resolution).
5. At its most recent meeting (Geneva, 26–27 April 2011), the Subcommittee on Wages of Seafarers of the Joint Maritime Commission adopted a resolution concerning the ILO minimum basic wage for the able seafarer (see Appendix IV for the full text), which, inter alia:

¹ GB.317/POL/5, para. 18, GB.317, Record of decisions.

² GB.319/INF/1, GB.319, Record of decisions.

-
- decided, regarding Paragraph 10 of Recommendation No. 187, to update the current ILO minimum basic wage for an able seafarer of US\$545 to US\$555 as of 1 January 2012; US\$568 as of 1 January 2013; and US\$585 as of 31 December 2013;
 - agreed that the amount of US\$585 as of 1 July 2011 should be used as the basis for recalculation purposes;
 - recalled that the formula had produced a figure of US\$710 as of 1 March 2011, and that that figure should be considered when determining any future increase;
 - acknowledged that the agreed minimum wage figure in no way prejudices collective bargaining or the adoption of higher levels in other international wage-setting mechanisms; and
 - invited the Governing Body to convene a meeting of the Subcommittee in the first half of 2014 and every two years thereafter and, where appropriate, for the Subcommittee to report directly to the Governing Body.

6. According to the current methodology for calculating the basic pay of able seafarers, the period of measurement of the change in consumer prices should be the full period of time between adjustments, i.e. from July 2011 to 26 February 2014. At the time of writing this report, however, updated data on exchange rates and price indices for the majority of countries and areas were available only for the period from 1 July 2011 to September 2013. At the meeting of the Subcommittee of the Joint Maritime Commission in February 2014, the Office should be able to provide updated information on price indices and exchange rates upon request.

2. Representative list of countries and areas

7. Since the Subcommittee's decision at its 29th Session (January 2001), the list of representative countries and areas is updated every time a meeting of the Subcommittee is convened, to include all major maritime countries (i.e. those with more than 2 million tons of shipping) and major suppliers of seafarers (i.e. those with more than 10,000 seafarers) and to exclude those that no longer fulfil those requirements.
8. The most up-to-date information on the gross tonnage of the world's merchant fleet can be found in table 1A of Lloyd's Register *World Fleet Statistics 2012*. It shows that, in 2012, 45 countries had over 2 million tons of shipping (see Appendix V) and accounted for 95.4 per cent of the world's total tonnage.
9. The most up-to-date information on major suppliers of seafarers is for 2010 and is published in Appendix C of the *BIMCO/ISF Manpower Update 2010* (Warwick, December 2010),³ which provides comprehensive data on the worldwide demand for, and supply of, qualified seafarers from each country and area. The figures for 2010 show that 34 countries supplied at least 10,000 seafarers (see Appendix V), together accounting for 73.3 per cent of the world's total supply of seafarers.

³ This study, carried out for the Baltic and International Maritime Council and the International Shipping Federation (BIMCO/ISF) by the Institute for Employment Research (University of Warwick, United Kingdom), contained the best information on the worldwide supply of seafarers available to the Office during the period when the report was prepared. The same source was used for previous reports.

10. Since the previous meeting of the Subcommittee on Wages of Seafarers in 2011, which identified 53 countries and areas, there has been no change in the number of major suppliers of seafarers, and four new countries (Islamic Republic of Iran, Saudi Arabia, Spain and United Republic of Tanzania) have emerged as major maritime countries. In the same period, no country left the list which was used in this report to update the basic wages. The list comprises 57 countries and areas, of which 22 are both major suppliers of seafarers and major maritime nations, 23 are only major maritime nations and 12 are only major suppliers of seafarers (see table 1).

3. Changes in consumer prices

11. Column [1] of table 1 shows the changes that took place in consumer price indices (CPIs) between 1 July 2011 and 1 September 2013, the period used in this report for adjustment. CPI figures for the Marshall Islands and Liberia were estimated on the basis of the price movements in other countries in the region.⁴ Price indices for the last months of the period had to be estimated for a number of countries, using the geometrical mean of the previous three years; for three countries (the Russian Federation, Ukraine and Viet Nam), prices had to be estimated for a period longer than a year.
12. Prices increased in all the countries and areas concerned over the period of adjustment. In 42 countries and areas, the increase was less than 10 per cent, while the rest experienced inflation of over 10 per cent. Of these, five countries and areas had inflation of over 20 per cent (one country had substantial inflation of over 60 per cent).

Table 1. Changes in the purchasing power of the US dollar in selected countries and areas, 1 July 2011–1 September 2013 (2013 list of countries)

Country or area	Currency	Consumer price index 1 September 2013 (base 1 July 2011 = 100)	Exchange rate:		Purchasing power equivalent on 1 September 2013 of US\$585 on 1 July 2011
			1 July 2011 (three-month average)	1 September 2013 (three-month average)	
		[1]	[2]	[3]	[4]
Antigua and Barbuda	East Caribbean dollar	104.695	2.700	2.700	612.466
Bahamas	Bahamian dollar	104.312	1.000	1.000	610.223
Belgium	Euro	104.177	0.687	0.758	552.083
Bermuda	Bermudian dollar	104.936	1.000	1.000	613.878
Brazil	Brazilian real	112.411	1.584	2.292	454.402
Bulgaria	Bulgarian lev	102.959	1.343	1.482	545.819
Cambodia	Cambodian riel	105.333	4 074.333	4 056.683	618.878
Canada	Canadian dollar	102.775	0.963	1.044	554.954
Cayman Islands *	Cayman Islands dollar	103.000	0.800	0.800	602.553
Chile	Chilean peso	105.119	466.160	508.467	563.782
China	Chinese yuan	105.121	6.485	6.175	645.827

⁴ Price index data for Liberia were estimated with data from Burkina Faso, Cote d'Ivoire, Ghana, Guinea, Mali, Senegal and Sierra Leone; data for the Marshall Islands for 2009 onwards were estimated with data from Fiji and Guam.

Country or area	Currency	Consumer price index 1 September 2013 (base 1 July 2011 = 100)	Exchange rate:		Purchasing power equivalent on 1 September 2013 of US\$585 on 1 July 2011
			1 July 2011 (three-month average)	1 September 2013 (three-month average)	
		[1]	[2]	[3]	[4]
Croatia	Croatian kuna	105.253	5.092	5.686	551.411
Cyprus	Euro	100.255	0.687	0.758	531.299
Denmark	Danish krone	102.937	5.121	5.659	544.962
Egypt	Egyptian pound	118.281	5.940	7.016	585.861
France	Euro	103.066	0.687	0.758	546.198
Germany	Euro	103.981	0.687	0.758	551.046
Gibraltar	Pound sterling	107.401	0.610	0.650	590.254
Greece	Euro	100.100	0.687	0.758	530.479
Honduras	Honduran lempira	111.111	18.895	20.447	600.661
Hong Kong, China	Hong Kong dollar	106.058	7.775	7.755	622.039
India	Indian rupee	125.397	44.710	62.523	524.575
Indonesia	Indonesian rupiah	111.900	8 569.333	9 955.700	563.458
Iran, Islamic Republic of	Iranian rial	166.933	10 563.667	20 618.333	500.332
Isle of Man	Pound sterling	105.552	0.610	0.650	580.094
Italy	Euro	105.028	0.687	0.758	556.594
Japan	Japanese yen	100.452	81.210	98.197	485.990
Korea, Republic of	Korean won	104.011	10 722.800	1 120.767	582.422
Kuwait	Kuwaiti dinar	103.545	0.274	0.284	583.725
Liberia	Liberian dollar	115.160	72.667	75.983	644.285
Malaysia	Malaysian ringgit	103.682	3.002	3.243	561.586
Malta	Euro	102.894	0.687	0.758	545.286
Marshall Islands	US dollar	106.712	1.000	1.000	624.268
Myanmar **	Myanmar kyat	107.870	788.430	972.015	511.853
Netherlands	Euro	105.833	0.687	0.758	560.860
Norway	Norwegian krone	102.475	5.340	6.024	531.380
Pakistan	Pakistan rupee	120.304	85.518	101.840	590.984
Panama	Panamanian balboa	110.773	1.000	1.000	648.020
Philippines	Philippine peso	106.298	43.268	43.781	614.546
Poland	Polish zloty	104.859	2.716	3.244	513.644
Romania	Romanian leu	107.245	2.841	3.361	530.378
Russian Federation	Russian rouble	119.097	27.882	32.949	589.587
Saudi Arabia	Saudi Arabian riyal	101.507	3.750	3.750	593.815
Singapore	Singapore dollar	108.403	1.230	1.272	613.381
Spain	Euro	103.782	0.687	0.758	549.991
Sri Lanka	Sri Lanka rupee	115.638	109.740	131.690	563.731
St Vincent and the Grenadines	East Caribbean dollar	105.071	2.700	2.700	614.665

Country or area	Currency	Consumer price index 1 September 2013 (base 1 July 2011 = 100)	Exchange rate:		Purchasing power equivalent on 1 September 2013 of US\$585 on 1 July 2011
			1 July 2011 (three-month average)	1 September 2013 (three-month average)	
		[1]	[2]	[3]	[4]
Sweden	Swedish krona	100.797	6.176	6.629	549.394
Taiwan, China	Taiwan dollar	104.020	28.899	30.053	585.145
Tanzania, United Republic of	Tanzania shilling	130.036	1 530.741	1 606.163	724.988
Thailand	Thai baht	105.573	30.332	31.518	594.357
Turkey	Turkish lira	117.077	1.576	1.971	547.642
Ukraine	Ukrainian hryvnia	124.084	7.969	7.993	723.739
United Kingdom	Pound sterling	106.679	0.610	0.650	586.288
United States	US dollar	103.919	1.000	1.000	607.926
Vanuatu	Vanuatu vatu	102.803	89.183	90.282	594.079
Viet Nam	Vietnamese dong	118.400	20 653.000	20 815.383	687.239

* The exchange rate for the Cayman Islands is fixed at 0.800 Cayman Islands dollars to 1 US dollar. Sources: Cayman Islands Government, Ministry of Finance (www.caymanchamber.ky/pdf/finance/ClataGlance.pdf). ** On 1 April 2012, the Central Bank of Myanmar replaced a pegged exchange rate with a managed floating exchange rate for the national currency. Under the new managed float, the kyat is being traded at near the current free market rate, and the reference rate has been set by the Central Bank at 818 kyats. In order to correctly compute purchasing power, we converted the 2011 exchange rate to the new exchange rate, assuming an exchange rate of approximately 818 kyats at the end of March 2012.

Notes: CPI figures for Liberia were estimated from the price movements in Burkina Faso, Cote d'Ivoire, Ghana, Guinea, Mali, Senegal and Sierra Leone. Price index data for the Marshall Islands for 2009 onwards were estimated with prices of Fiji and Guam. Price index data for Antigua and Barbuda relate to June 2013; data for Gibraltar relate to April 2011 and July 2013; data for the Marshall Islands relate to May 2011; and data for Vanuatu relate to May 2011.

Sources: Consumer price indices (CPIs) were obtained from the ILO database on labour statistics, LABORSTA (<http://laborsta.ilo.org>). Exchange rates were obtained from the International Money Fund database (www.imfstatistics.org), with the exception of Taiwan, China, obtained from the Central Bank of the Republic of China (Taiwan, China) website (<http://www.cbc.gov.tw/content.asp?CuItem=1878>).

4. Changes in exchange rates

- 13.** Columns [2] and [3] of table 1 present the exchange rates on 1 July 2011 and on 1 September 2013, using the average for the three months ending June 2011 and August 2013, respectively. Exchange rates were taken from the International Financial Statistics website of the International Monetary Fund (www.imfstatistics.org); the exchange rates for Taiwan, China, which do not appear on that website, were taken from the website of the Central Bank of Taiwan, China (<http://www.cbc.gov.tw/content.asp?CuItem=1878>). The data used are generally the end-of-month market or official exchange rates.
- 14.** In 45 of the 57 countries and areas listed in table 1, the local currency depreciated against the US dollar between 1 July 2011 and 1 September 2013. In nine countries and areas, there was no change, as the currency used was either the US dollar or a currency with a fixed exchange rate relative to the US dollar. In the remaining three countries and areas, the local currency appreciated against the US dollar during the same period. In the Islamic Republic of Iran, the US dollar appreciated more than 95 per cent during the period.

5. Purchasing power of the US dollar on 1 September 2013 relative to that on 1 July 2011

15. The last column of table 1 shows the number of US dollars needed in the 57 countries and areas on 1 September 2013 to make the same purchases as US\$585 on 1 July 2011. In each case, the figure is obtained by converting US\$585 to the local currency as at 1 July 2011 (using the average exchange rate for April–June 2011), adjusting for inflation between 1 July 2011 and 1 September 2013 (using the relative change in the CPI between June 2011 and August 2013), then reconvert the figure obtained to US dollars at the 1 September 2013 rate (using the average exchange rate for June–August 2013).

16. Taking France as an example:

1. Converting the US\$585 into the local currency (euro) on 1 July 2011:

$$\begin{aligned} &= \text{US\$585} \times \text{€}0.687^5 \text{ per US\$} && \text{(where 0.687 is the three-month average} \\ &= \text{€}401.895 && \text{exchange rate for April–June 2011)} \end{aligned}$$

2. Adjusting this value for inflation between June 2011 and August 2013:

$$\begin{aligned} &= \text{€}401.895 \times 103.066/100 && \text{(where 103.066 is the CPI on 1 September} \\ &= \text{€}414.217^6 && \text{2013 percentage increase in prices during the} \\ & && \text{year)} \end{aligned}$$

3. Reconvert to US dollars at the 1 September 2013 rate:

$$\begin{aligned} &= \text{€}414.217/\text{€}0.758 \text{ per US\$} && \text{(where 0.758 is the three-month average} \\ &= \text{US\$}546.460^7 && \text{exchange rate for June–August 2013)} \end{aligned}$$

17. In each country and area considered, the combined effect of changes in exchange rates and of prices based on the purchasing power on 1 September 2013 in relation to that of US\$585 on 1 July 2011 varied according to the relative size of these two factors. Where the deterioration in the exchange rate exceeded the change in consumer prices, fewer US dollars were needed on 1 September 2013 to maintain the level of purchasing power of 1 July 2011. This was the case in 30 out of 57 countries and areas. In the other 27 countries and areas, more dollars were needed on 1 September 2013 to maintain the purchasing power of 1 July 2011. In nine out of these 27 countries, there was no change in the exchange rate; therefore the increase in the US dollars required on 1 September 2013 was due only to the increase in prices during the period. In three of these 27 countries, more US dollars were required on 1 September 2013 to reach the same level of purchasing power as on 1 July 2011 because of the combined impact of the increase in consumer prices and the appreciation of the local currency against the US dollar. In the remaining 15 of these 27 countries, more US dollars were required on 1 September 2013 because the increase in the consumer prices exceeded the deterioration in the exchange rate between 1 July 2011 and 1 September 2013.

⁵ Rounded to three decimal places.

⁶ *ibid.*

⁷ The small difference between this figure and that shown in table 1 is due to rounding.

6. Change in the purchasing power of US\$585 between 1 July 2011 and 1 September 2013 in selected countries and areas

18. In order to obtain the median value of the purchasing power in the selected countries, table 2 arranges the figures indicated in table 1, column 4, in ascending order of purchasing power, by using a weighting of one for countries and areas with less than 10,000 seafarers and a weighting of two for those with 10,000 or more seafarers, as required by the 1991 resolution. The median purchasing power, with the cumulative weighting of 45.5, corresponds most closely to that of Sri Lanka (US\$563.731), pointing to an overall decrease of 26.09 per cent over the median of US\$710.81 reported in 2011.
19. This figure is lower than the one obtained at the April 2011 meeting (US\$710.81). Prices increased dramatically following the 2008–09 financial crisis; however, in recent years there has been a decrease in general price levels.

Table 2. Countries and areas arranged in ascending order of purchasing power, with corresponding weightings (2013 list of countries)

Country or area	Number of US\$ on 1 September 2013 with the same purchasing power as US\$585 on 1 July 2011	Weighting	Cumulative weighting
Brazil	454.402	2	2
Japan	485.990	2	4
Iran, Islamic Republic of	500.332	1	5
Myanmar	511.853	2	7
Poland	513.644	2	9
India	524.575	2	11
Romania	530.378	2	13
Greece	530.479	2	15
Cyprus	531.299	1	16
Norway	531.380	2	18
Denmark	544.962	1	19
Malta	545.286	1	20
Bulgaria	545.819	2	22
France	546.198	2	24
Turkey	547.642	2	26
Sweden	549.394	2	28
Spain	549.991	1	29
Germany	551.046	2	31
Croatia	551.411	2	33
Belgium	552.083	1	34
Canada	554.954	2	36
Italy	556.594	2	38
Netherlands	560.860	1	39
Malaysia	561.586	2	41
Indonesia	563.458	2	43

Country or area	Number of US\$ on 1 September 2013 with the same purchasing power as US\$585 on 1 July 2011	Weighting	Cumulative weighting
Sri Lanka	563.731	2	45
Chile	563.782	2	47
Isle of Man	580.094	1	48
Korea, Republic of	582.422	2	50
Kuwait	583.725	1	51
Taiwan, China	585.145	1	52
Egypt	585.861	2	54
United Kingdom	586.288	2	56
Russian Federation	589.587	2	58
Gibraltar	590.254	1	59
Pakistan	590.984	2	61
Saudi Arabia	593.815	1	62
Vanuatu	594.079	1	63
Thailand	594.357	2	65
Honduras	600.661	2	67
Cayman Islands	602.553	1	68
United States	607.926	2	70
Bahamas	610.223	1	71
Antigua and Barbuda	612.466	1	72
Singapore	613.381	1	73
Bermuda	613.878	1	74
Philippines	614.546	2	76
St Vincent and the Grenadines	614.665	1	77
Cambodia	618.878	2	79
Hong Kong, China	622.039	1	80
Marshall Islands	624.268	1	81
Liberia	644.285	1	82
China	645.827	2	84
Panama	648.020	2	86
Viet Nam	687.239	2	88
Ukraine	723.739	2	90
Tanzania, United Republic of	724.988	1	91
Median	563.731	91	45.5

20. On each occasion, the employer and worker members of the Joint Maritime Commission have, after deliberation, agreed on a different figure from the median. Table 3 provides details on these differences since 1970.

Table 3. Revision of the minimum wage from 1970 to 2011

Year	Median derived from the formula (US\$)	Basic wage set by JMC (US\$)	Change in JMC figure as percentage of the median
1970	84.91	100	17.70
1972	109.20	115	5.30
1976	178.82	187	4.60
1980	259.24	276	6.50
1984	232.75	276	18.60
1987	280.88	286	1.80
1991	352.00	356	1.10
1995	366.68	385	5.00
1996	408.23	435	6.60
2001	399.29	450*	12.70
		465*	16.50
2003	500.38	500	0
2006	543.49	515; 530; 545**	0
2009	713.74	No agreement	–
2011	710.81	555; 568; 585***	–

Notes: * See paragraph 3 of the resolution adopted by the 29th Session of the JMC (2001). ** The minimum basic wage was updated to US\$515 as of 1 January 2007, US\$530 as of 1 January 2008 and US\$545 as of 31 December 2008; US\$545 was used as the basis for updating the minimum wage. *** The minimum basic wage was updated to US\$555 as of 1 January 2012, US\$568 as of 1 January 2013 and US\$585 as of 31 December 2013; US\$585 was used as the basis for updating the minimum wage.

Appendix I

Relevant provisions of the Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation, 1996 (No. 187)

IV. *Minimum monthly basic pay or wage figure for able seamen*

9. For the purpose of this Part, the term “able seaman” means any seafarer who is deemed to be competent to perform any duty which may be required of a rating serving in the deck department, other than the duties of a leading or specialist rating, or any seafarer who is defined as an able seaman in accordance with national laws, regulations or practice, or collective agreement.

10. The basic pay or wages for a calendar month of service for an able seaman should be no less than the amount periodically set by the Joint Maritime Commission or another body authorized by the Governing Body of the International Labour Office. Upon a decision of the Governing Body, the Director-General of the ILO shall notify any revised amount to the Members of the International Labour Organization. As of 1 January 1995, the amount set by the Joint Maritime Commission was 385 United States dollars.

11. Nothing in this Part should be deemed to prejudice arrangements agreed between shipowners or their organizations and seafarers' organizations with regard to the regulation of standard minimum terms and conditions of employment, provided such terms and conditions are recognized by the competent authority.

Appendix II

Relevant provisions of the Maritime Labour Convention, 2006: Guideline B2.2.1(a) and Guideline B2.2.4

Guideline B2.2 – Wages

Guideline B2.2.1 – Specific definitions

1. For the purpose of this Guideline, the term:
 - (a) *able seafarer* means any seafarer who is deemed competent to perform any duty which may be required of a rating serving in the deck department, other than the duties of a supervisory or specialist rating, or who is defined as such by national laws, regulations or practice, or by collective agreement;

...

Guideline B2.2.4 – Minimum monthly basic pay or wage figure for able seafarers

1. The basic pay or wages for a calendar month of service for an able seafarer should be no less than the amount periodically set by the Joint Maritime Commission or another body authorized by the Governing Body of the International Labour Office. Upon a decision of the Governing Body, the Director-General shall notify any revised amount to the Members of the Organization.
2. Nothing in this Guideline should be deemed to prejudice arrangements agreed between shipowners or their organizations and seafarers' organizations with regard to the regulation of standard minimum terms and conditions of employment, provided such terms and conditions are recognized by the competent authority.

Appendix III

Resolution concerning the ILO minimum wage for able seamen, adopted at the 26th Session of the Joint Maritime Commission (October 1991)

The Joint Maritime Commission of the International Labour Organisation,

Having met in Geneva, in its Twenty-Sixth Session, from 17 to 25 October 1991,

Considering the report prepared by the International Labour Office on Wages, Hours of Work and Manning (Sea) Recommendation, 1958 (No. 109),

Considering also that criticism has been expressed on several previous occasions by the seafarers and by the shipowners as to the formula which has been used to revise the minimum wage figure contained in Recommendation No. 109,

Noting also that currency fluctuations have again rendered use of the current formula an even more unreliable exercise,

Considers that the formula used to revise the minimum wage should be amended,

Requests therefore the Governing Body of the International Labour Office to take action on the following proposals agreed by the Shipowner and Seafarer members of the Joint Maritime Commission, with regard to a revised formula for dealing with the updating of the minimum wage for able seamen:

Revised formula

The mechanism and procedure for the periodic revision of the minimum basic wage for able seamen shall be revised:

- (a) to provide a more representative list of 44 countries and areas including nations which have at least 2 million gross tons of shipping or countries and areas which are major suppliers of seafarers. The new list of countries and areas is:

Argentina	France	Korea, (Rep. of)	Portugal
Australia	Germany	Liberia	Romania
Bahamas	Gibraltar	Malaysia	Saudi Arabia
Bangladesh	Greece	Malta	Singapore
Belgium	Hong Kong	Myanmar	Spain
Bermuda	India	Netherlands	Sri Lanka
Brazil	Indonesia	Norway	Turkey
Canada	Iran	Pakistan	United Kingdom
China	Israel	Panama	United States
Cyprus	Italy	Philippines	USSR
Denmark	Japan	Poland	Yugoslavia

- (b) to minimise the short-term effect of drastic fluctuations in currency exchange rates. The formula is to utilise an averaging of the three latest months of US dollar equivalent exchange rates (e.g. for the 26th Session, March–May 1991 averaging);
- (c) the formula is to measure the changes in consumer prices for a four-year period up to the month of the most current data (e.g. for the 26th Session, where available, May 1987 shall be the base month and May 1991 shall be the period of measurement). In the future, the period of measurement shall equal the full period of time between adjustments;

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- (d) the formula is to include a weighting on the basis of the total number of seafarers in different countries, on a scale equal to one for countries with less than 10,000 seafarers, and two for countries with 10,000 or more seafarers, the numbers to be determined by an ILO Office survey;
 - (e) the issue of productivity should be addressed when the Joint Maritime Commission or the bipartite wage committee meets and if by common reasoning the two parties have found productivity increases have taken place since the last adjustment was made, a relevant percentage should be agreed upon and added to the new wage figure calculated according to the formula.

Periodic review

It is agreed that a small bipartite wage committee composed of six Shipowner representatives and six Seafarer representatives will be convened every alternate year between sessions of the Joint Maritime Commission for the purpose of updating the ILO minimum wage for able seamen in accordance with the prescribed formula, it being understood that such a committee should not be convened in the year before a Joint Maritime Commission session.

Updating of minimum wage figures

The current figures of US\$286 and £176 sterling as of October 1987 shall be updated to amounts equal to US\$335 and £196 sterling as of October 1991 and US\$356 and £208 sterling as of 25 October 1992. The base figure for recalculation purposes should be US\$356 as of 25 October 1991, using the formula prescribed above.

Appendix IV

Resolution concerning the ILO minimum basic wage for the able seafarer, adopted by the Subcommittee on Wages of Seafarers of the Joint Maritime Commission (April 2011)

The Subcommittee on Wages of Seafarers of the Joint Maritime Commission,

Having met in Geneva from 26 to 27 April 2011,

Having considered the report prepared by the International Labour Office on the updating of the minimum basic wage for able seafarers,

Having noted that the Subcommittee on Wages of Seafarers at its meeting on 24 to 25 February 2006 agreed the minimum basic wage figure of US\$545 as of 31 December 2008,

Recalling the Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation 1996 (No. 187), referred to below as the Recommendation, and Guideline B2.2 of the Maritime Labour Convention, 2006:

1. Agrees that the economic situation of the maritime industry in major flag States and labour supply States provides an indication of the necessity for updating the minimum basic wage figure.
2. Recalls that the main aim of the minimum basic pay or wage figure for the able seafarer is to provide an international safety net for the protection of, and to contribute to, decent work for seafarers.
3. Recalls the relevant provisions of the code of the Maritime Labour Convention, 2006, i.e. Guideline B2.2.4 and recalling the resolution concerning the ILO minimum wage for able seamen, adopted at the 26th Session of the Joint Maritime Commission (October 1991).
4. Notes that the Recommendation states that the number of normal hours per week covered by the minimum basic wage should not exceed 48 hours per week.
5. Notes that the agreed sum achieved at previous meetings has not always matched the figure indicated by the formula since the process took into account other factors.
6. Recalls that the Subcommittee, at its previous meeting in 2009, could not agree on a revised wage figure.
7. Notes that the current mechanism, including the formula, needs to be maintained until such time as an alternative is agreed.
8. Reaffirms support for the role of the Joint Maritime Commission and its Subcommittee on Wages of Seafarers and believes that its role and importance as the agenda-setting mechanism for the maritime industry will increase.
9. Decides, regarding Paragraph 10 of the Recommendation, to update the current ILO minimum basic wage for an able seafarer of US\$545 to US\$555 as of 1 January 2012; US\$568 as of 1 January 2013; and US\$585 as of 31 December 2013.
10. Agrees that the amount of US\$585 as of 1 July 2011 should be used as the basis for recalculation purposes.
11. Recalls that the formula produced a figure of US\$710 as of 1 March 2011. This figure should be considered when determining any future increase.
12. Acknowledges that the agreed minimum wage figure in no way prejudices collective bargaining or the adoption of higher levels in other international wage-setting mechanisms.
13. Invites the Governing Body to convene a meeting of the Subcommittee in the first half of 2014 and every two years thereafter and, where appropriate, for the Subcommittee to report directly to the Governing Body.

Appendix V

Major maritime countries and areas (with more than 2 million gross tons in 2009) and major suppliers of seafarers (with more than 10,000 seafarers in 2010)

	Number of seafarers, 2010	Millions of gross tons, 2012	Weighting
Antigua and Barbuda	–	10 664 728	1
Bahamas	–	52 424 297	1
Belgium	–	4 118 011	1
Bermuda (UK)	–	11 594 432	1
Brazil	10 601	2 344 493	2
Bulgaria	33 269	–	2
Cambodia	20 057	–	2
Canada	17 103	2 957 093	2
Cayman Islands (UK)	–	3 318 094	1
Chile	15 107	–	2
China	141 807	40 612 372	2
Croatia	18 658	–	2
Cyprus	–	20 038 519	1
Denmark	–	11 562 293	1
Egypt	12 970	–	2
France	13 696	5 921 321	2
Germany	10 253	13 299 635	2
Gibraltar	–	3 251 550	1
Greece	12 963	41 140 885	2
Honduras	19 580	–	2
Hong Kong, China	–	78 299 096	1
India	62 673	9 364 181	2
Indonesia	77 727	11 670 513	2
Iran, Islamic Republic of	–	2 843 547	1
Isle of Man (UK)	–	14 203 373	1
Italy	20 950	18 510 425	2
Japan	28 605	18 527 485	2
Korea, Republic of	12 778	11 793 075	2
Kuwait	–	2 430 947	1
Liberia	–	126 017 230	1
Malaysia	35 000	7 585 934	2

	Number of seafarers, 2010	Millions of gross tons, 2012	Weighting
Malta	–	44 168 107	1
Marshall Islands	–	85 320 403	1
Myanmar	31 095	–	2
Netherlands	–	7 470 999	1
Norway	23 382	16 527 559	2
Pakistan	12 168	–	2
Panama	12 390	218 663 214	2
Philippines	81 180	4 449 242	2
Poland	22 669	–	2
Romania	24 343	–	2
Russian Federation	65 000	7 690 066	2
Singapore	–	60 317 803	1
Saudi Arabia	–	2 187 028	1
Spain	–	2 540 929	1
Sri Lanka	21 793	–	2
St Vincent and the Grenadines	–	3 409 833	1
Sweden	10 923	2 853 626	2
Taiwan, China	–	3 195 132	1
Tanzania, United Republic of	–	3 863 047	1
Thailand	11 125	2 961 162	2
Turkey	87 743	6 476 420	2
Ukraine	38 172	–	2
United Kingdom	23 193	16 921 624	2
United States	38 454	11 335 569	2
Vanuatu	–	2 477 190	1
Viet Nam	22 176	3 899 388	2
Total	964 439	1 031 221 870	91
World totals	1 316 604	1 081 204 742	
<i>Percentage</i>	73.3	95.4	

Note: Denmark, France, Norway and Spain: tonnage includes international registry; countries receive a weighting of two if they are a major supplier of seafarers, and of one if they are not.