

## ***RUNAWAY FLAGS***

In many parts of the world, today's civilian mariners are among the most exploited workers due in large part because many of them work aboard vessels that fly the flag of a country other than the nation of ownership.

These floating sweatshops are the building blocks of the notorious "flag-of-convenience" (FOC) or runaway-flag system. It exists for one reason and one reason only: to allow companies to avoid responsibilities, whether that means paying taxes or adhering to minimum health, safety and environmental standards.

The FOC system became embedded in the international community after World War II, when Congress enacted the Ship Sales Act of 1946, which authorized the sale of American vessels overseas at cut-rate prices. The situation was exacerbated a year later when the government offered War Risk Insurance to American companies that had reflagged their vessels under registries deemed to be under "the Effective Control of the U.S."

The rise of the FOC system has threatened traditional maritime registries. As a result, conditions in the international community have worsened. In response, the International Transport Workers' Federation (ITF) and its maritime affiliates, a number of which are associated with the MTD, during the past 65 years have developed a set of policies which seek to establish minimum acceptable standards applicable to seafarers serving on FOC vessels.

These policies form the basis of an international standard collective agreement which sets the wages and working conditions for all crews aboard runaway-flag vessels regardless of nationality. All FOC ships covered by an ITF agreement are issued an ITF Blue Certificate by the confederation, which signifies its acceptance of the wages and working conditions on board. About a quarter of all FOC vessels currently are covered by ITF agreements, thus giving protection to more than 123,000 seafarers.

While the ITF's policies have been extremely successful, they still fall short of the body's ultimate goal: the total eradication of the scandal of runaway-flag shipping. Restoring integrity to the world's maritime industry has never

been more important. Transparency and accountability are essential; their absence puts international safety at risk.

NOW, THEREFORE BE IT RESOLVED that the MTD, its affiliates and its Port Maritime Councils remain steadfast in the ongoing fight for fair labor standards and safe working conditions for all mariners, and

BE IT FURTHER RESOLVED that the MTD, its affiliates and its Port Maritime Councils will continue to provide strong support to the ITF's FOC campaign.