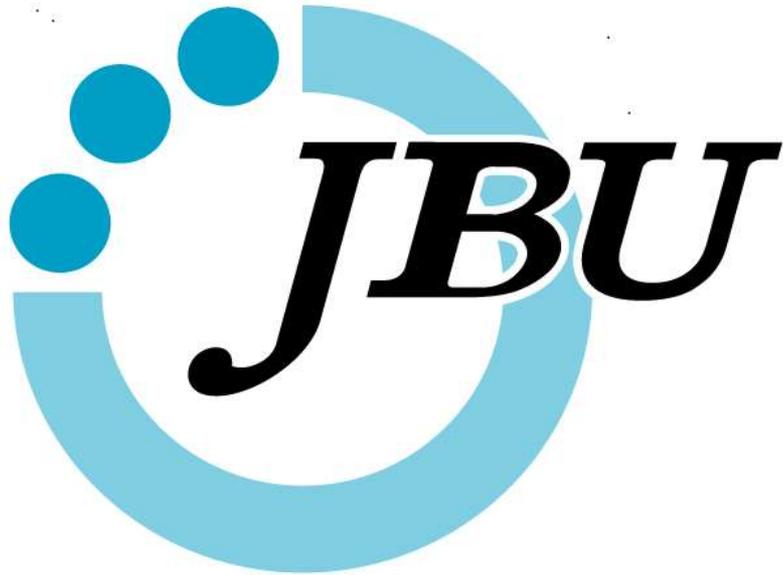


Section 2

OHS and importance of HKC (The case of Japan)



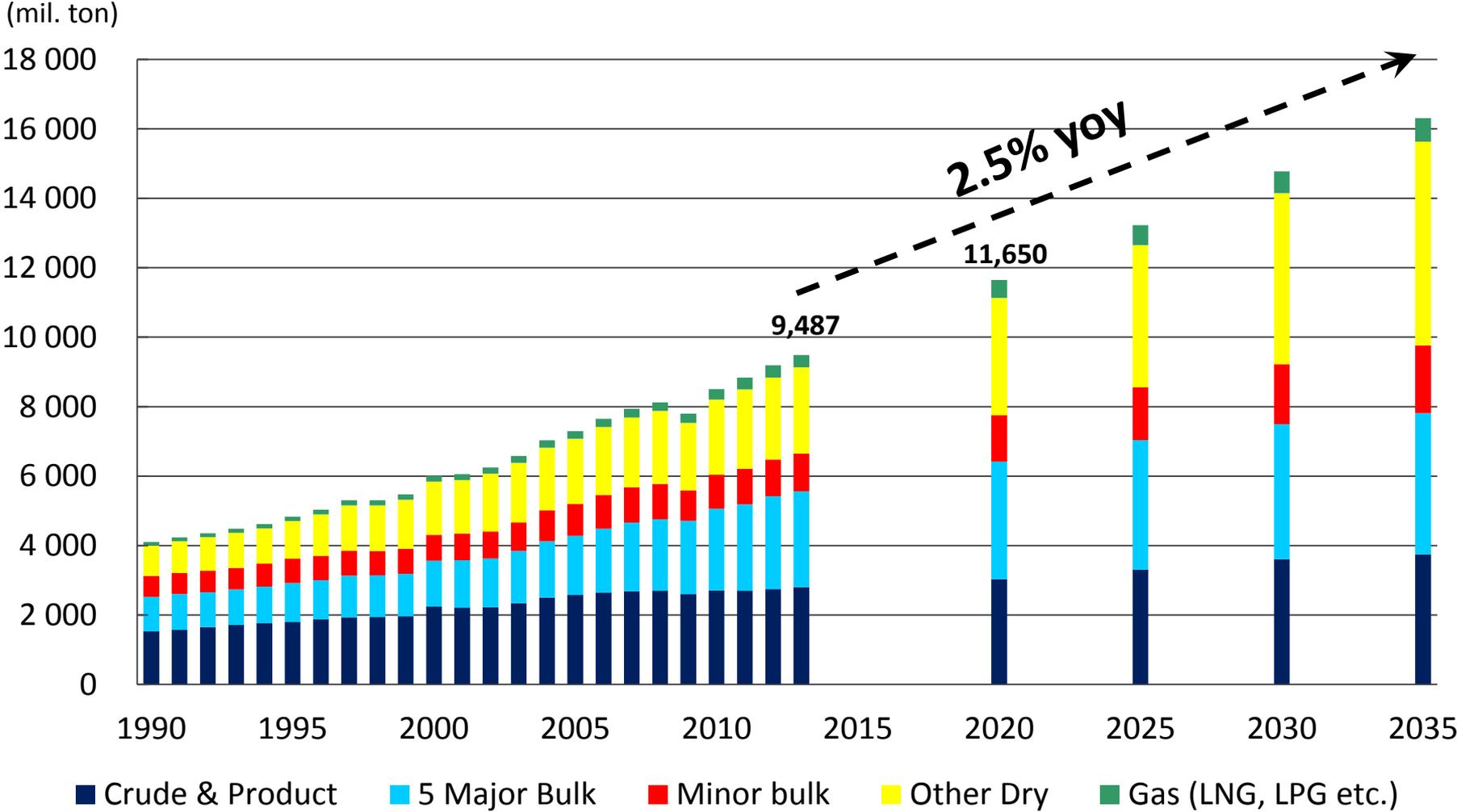
7~8 November 2016

Mandurah, Western Australia



Japan Federation of Basic Industry Workers' Unions
Akira YAKUSUE (Assistant General Secretary)

Fig1. Seaborne Trade Forecast

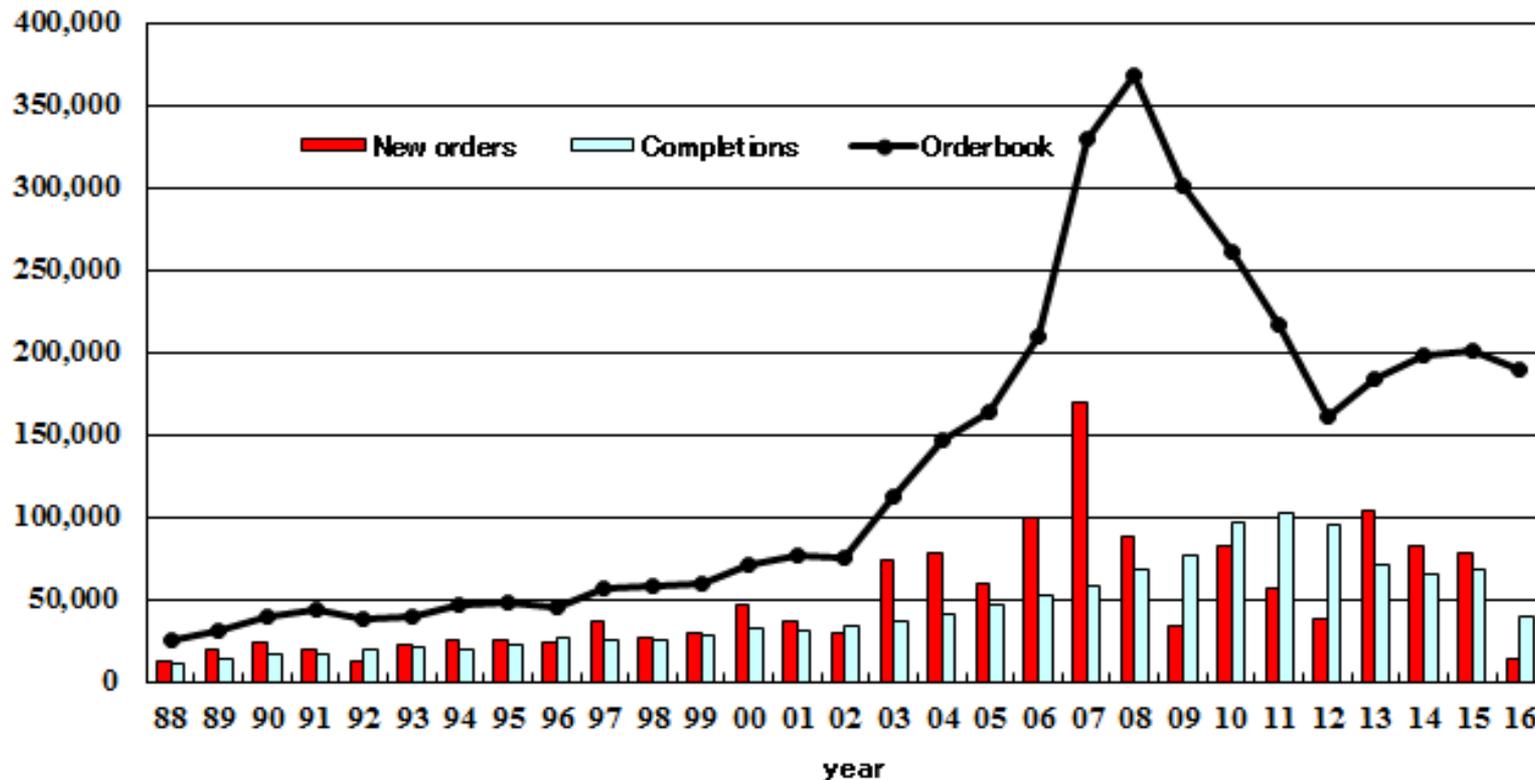


Cargo amount (2015) : 10,800 million ton

Source : The Shipbuilders' Association of Japan (SAJ)

Fig2. World shipbuilding industry (New orders · Completions · Order book)

Unit: 1000ton



(1000 GT)

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 2Q
New orders	77,200	60,000	99,600	169,600	88,000	33,600	82,400	56,800	38,400	103,200	81,600	77,200	13,272
Completions	40,171	46,970	52,118	57,320	67,690	77,073	96,433	101,845	95,575	70,480	64,618	67,566	39,882
Orderbook	146,213	164,022	208,875	329,732	368,070	300,511	261,016	216,967	160,368	182,863	197,389	201,397	189,100

* Orderbook : Each year end

* HIS(Former Lloyd's Register "World Shipbuilding Statistics" Ship size coverage 1000 gross tonnage and over

* Source : The Shipbuilders' Association of Japan (SAJ)

The average construction demand for new shipbuilding (Annual)

2014~2020 : 34.1millionGT

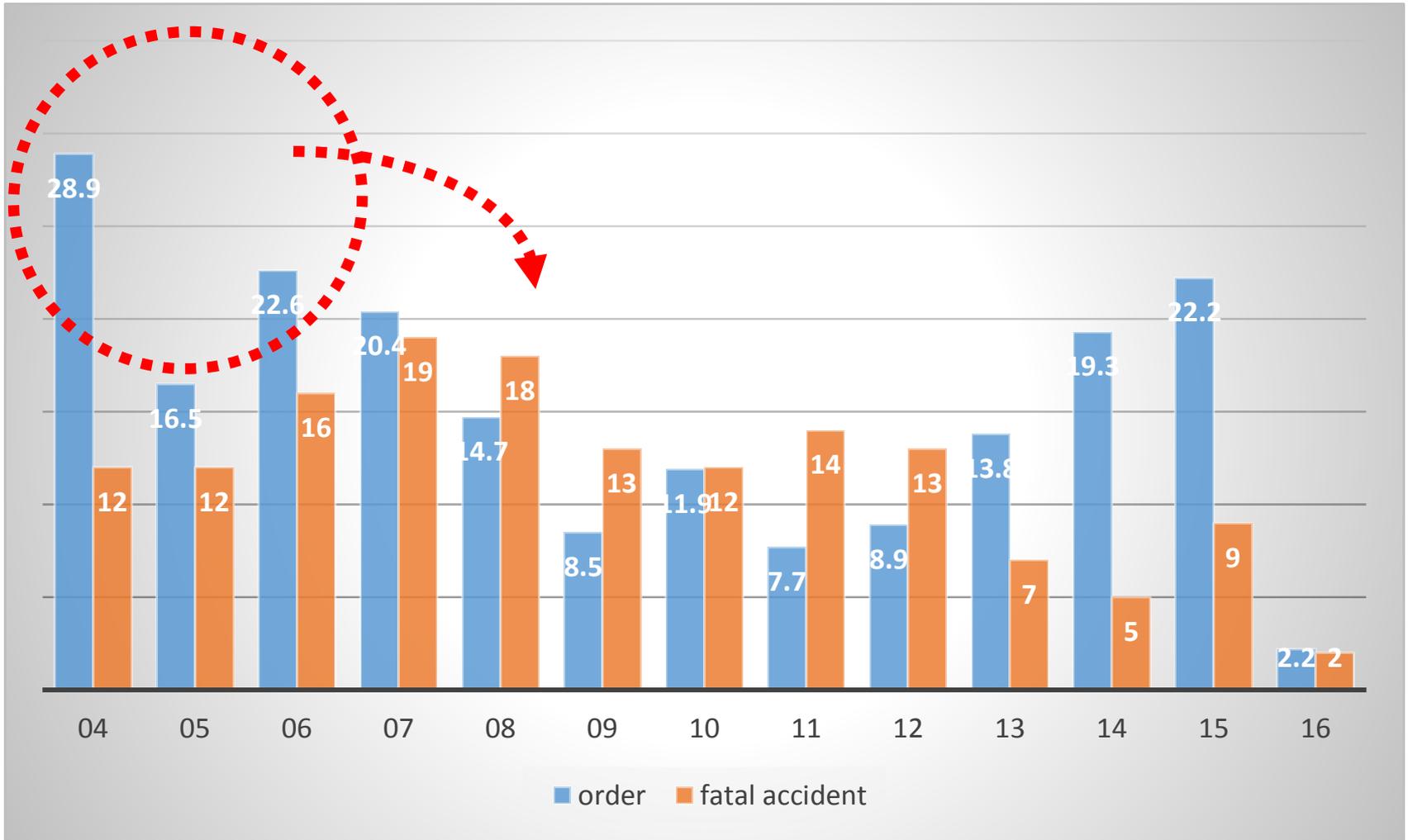
1. 2020~2025 : 51.4millionGT

2. 2025~2030 : 69.9millionGT

3. 2030~2035 : 83.0millionGT

<Estimate by seaborne market>

Fig3. Correlation of new order and fatal accident



OHS activity in Japan shipbuilding industry

The most common accidents :

1. Danger of Fall – crash.
2. Danger of being gripped / entrapped.

The disaster will occur through the construction stage frequently.

Focusing on gaining awareness of OHS:

1. Young workers (continuous service < 5 years)
2. Carelessness of skilled workers
3. Ignoring of the safety rule. and so on.

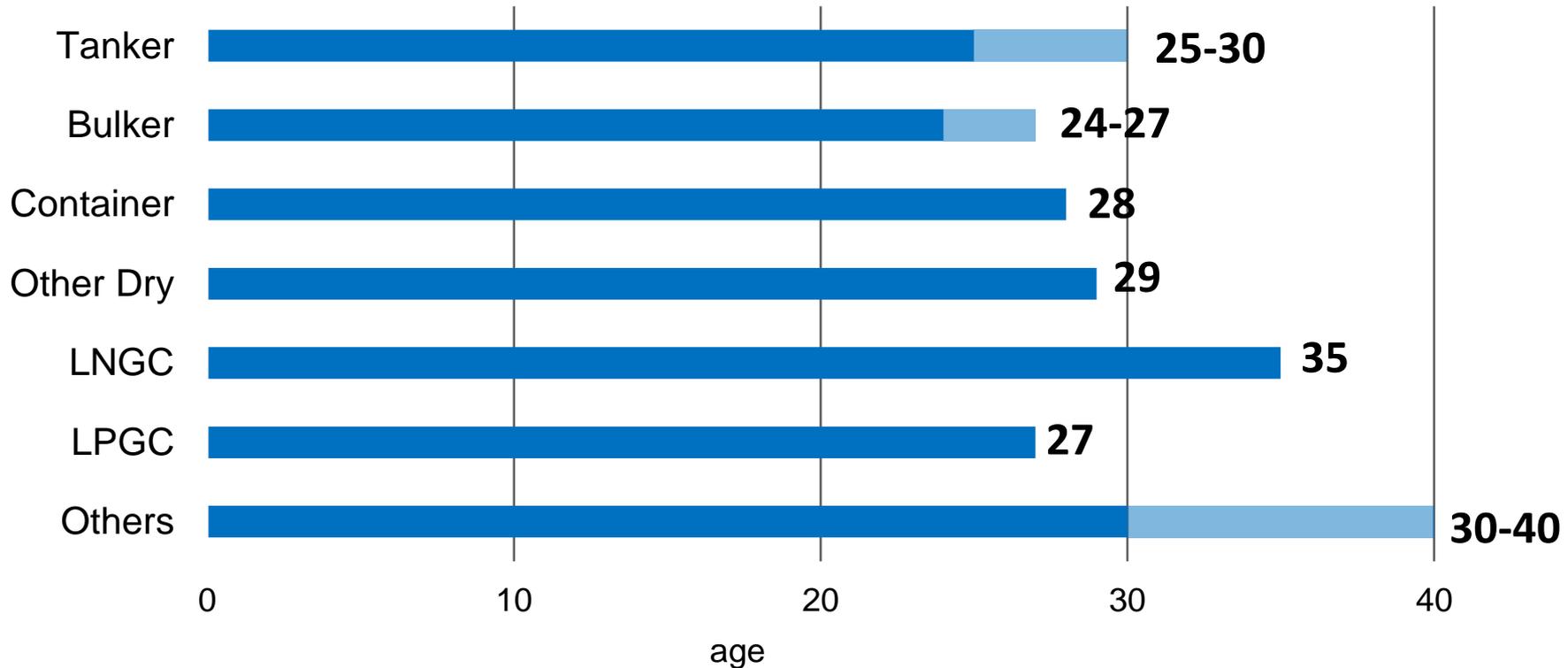
A safety measure in Japan >

“Industrial Safety and Health Act.” 8th Jun 1972

- 1. Labor – management meeting that specializes in health and safe has to hold once a month.**
- 2. The budget of Japanese government that specializes in health and safe is 180 million US \$.
(2016)**
- 3. The management must be subjected to a mental test to all workers. (since Dec 2015)**

Fig4. Merchant fleets' Age by Ship type (Estimate)

Average fleets' age by ship type (Completion ~ shipbreaking)



Source: study by JBU

Fig5. Replacement Demand Forecast

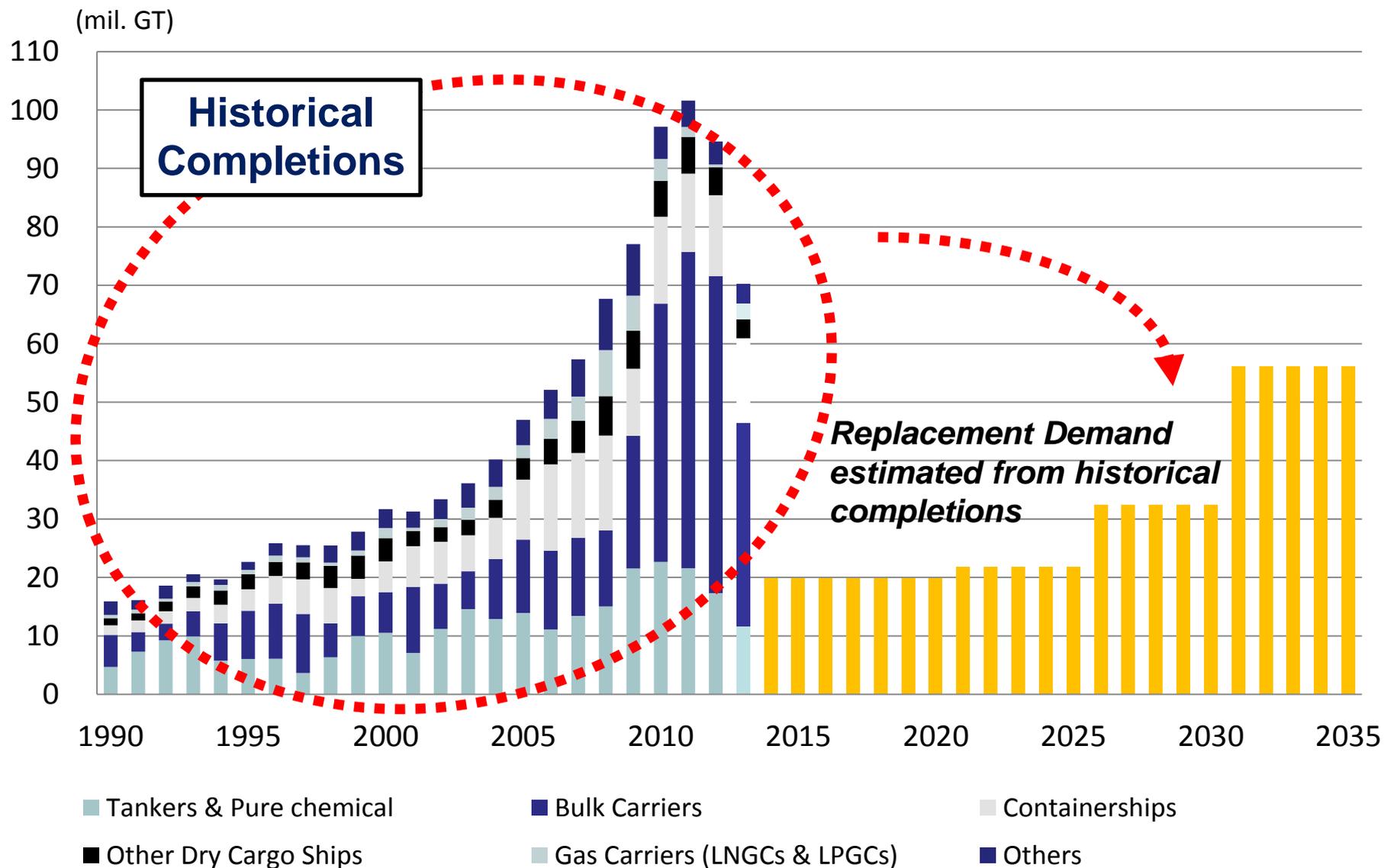
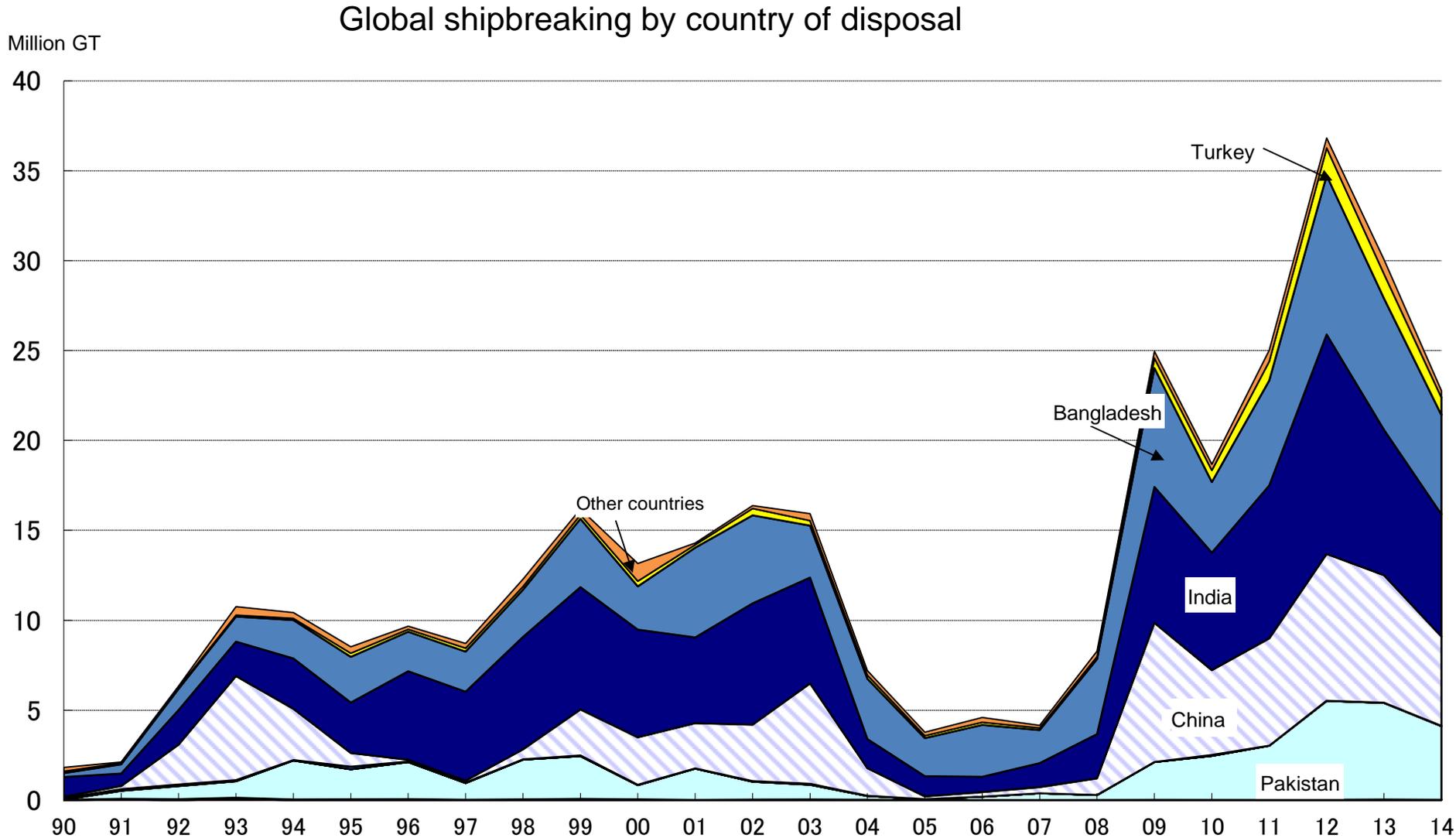


Fig6 Global shipbreaking by country of disposal



Source : The Shipbuilders' Association of Japan (SAJ)

Importance of HKC

- ◆ The resolution referred to all existing international regulations and standards as follows.
 1. The Basel Convention Technical Guidelines
 2. The International Labour Organization (ILO) guidelines
 3. EU SRR
 4. **The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC)**

Advantage of HKC

Covers from the cradle to the grave

→ Every stakeholder involved: equipment manufacturers, shipyards, ship operators, shipbreaking Facilities (SRFs)

Applied to all over the world

→ HKC will be applicable to all over the world.
(EU SRR is only applicable to EU member states.)



**HKC is the most appropriate framework to ensure safe working conditions.
Early entry into force of HKC is important.**

Since only five states ratified HKC, (Regrettably, no state ratified since adoption of the resolution.) it is important to demand that their governments ratify HKC.

JBU support activities at shipbreaking yard in Alang, India



By way of JBU support for the Steel, Metal and Engineering Workers' Federation of India (SMEFI), a multipurpose training center at the shipbreaking yard in Alang, India is being built.

Construction started January 17, 2016.

When completed, the facility will serve as a place for conducting safety and health training for shipbreaking yard workers.



Requesting the Minister of Land Infrastructure and Transport to ratify the Hong Kong International Convention for Safe and Environmentally Sound Recycling of Ships (HKC)



09.09.2015

On 9 September, the Japan Federation of Basic Industry Workers' Unions, JBU, met with the Ministry of Land, Infrastructure, Transport and Tourism, MILT.

Satoshi Kudoh, President JBU and also Co-chairperson of IndustriALL Shipbuilding-Shipbreaking sector directly demanded to Akihiro Ohta(at that time), Minister of MILT to expedite the ratification of the Hong Kong Convention by the Japanese Government.

The minister responded positively on the issue of ratification.

Source: IndustriALL home-page

Conclusion

1. The general trend of the shipbuilding industry in Asia is one wherein the environment remains difficult due to negative influences such as slumping ship prices and a huge supply and demand gap.
2. Expanding exports accompanying China's expanding crude steel production are globally lowering the price of steel plates used in ship building. Additionally, as the shipping market remains sluggish, ship prices are not expected to rise.
3. With both shipbuilding and shipping experiencing harsh economic conditions, there is a definite shortage of available funds for improving the workplace environment of shipbreaking yards. Workers engaged in the shipbreaking industry, which is centered in South Asia, are doing so in an unsanitary workplace environment that is always fraught with danger.
4. Maintaining a sustainable cycle of "steel → shipbuilding (building) → operation (shipping) → breaking → iron reuse," and ensuring a safe and hygienic environment for the industry, will contribute to the protection of the lives and livelihoods of workers.

Early ratification of the Hong Kong International Convention for Safe and Environmentally Sound Recycling of Ships (HKC) is sought in order to promote the development of sustainability in the Asian shipbuilding and South Asian shipbreaking industries, and create safe and stable lives for workers while protecting their health and lives!!



Thank you for attention