



Merchant Shipping Act 1988

1988 CHAPTER 12

PART III

MISCELLANEOUS PROVISIONS RELATING TO MERCHANT SHIPPING ETC.

Crew agreements

46 Payment of wages on termination of crew agreement

- (1) Section 7 of the Merchant Shipping Act 1970 (payment of seamen's wages) shall be amended as provided in subsections (2) to (8) below.
- (2) The following subsection shall be substituted for subsection (1)—
 - “(1) Where a seaman employed under a crew agreement relating to a ship leaves the ship on being discharged from it, then, except as provided by or under this Act or any other enactment, the wages due to the seaman under the agreement shall either—
 - (a) be paid to him in full at the time when he so leaves the ship (in this section and section 8 of this Act referred to as the time of discharge),
or
 - (b) be paid to him in accordance with subsections (3A) and (3B) of this section.”
- (3) In subsection (2), after “payable to him under” there shall be inserted “paragraph (a) of”.
- (4) In subsection (3), for “the preceding provisions” there shall be substituted “subsection (1)(a) or (2)”.
- (5) The following subsections shall be inserted after subsection (3)—
 - “(3A) Where the crew agreement referred to in subsection (1) of this section provides for the seaman's basic wages to be payable up-to-date at specified intervals not exceeding one month, and for any additional amounts of wages to be payable

Status: This is the original version (as it was originally enacted).

within the pay cycle following that to which they relate, any amount of wages due to the seaman under the agreement shall (subject to subsection (3B) of this section) be paid to him not later than the date on which the next payment of his basic wages following the time of discharge would have fallen due if his employment under the agreement had continued.

(3B) If it is not practicable, in the case of any amount due to the seaman by way of wages additional to his basic wages, to pay that amount by the date mentioned in subsection (3A) of this section, that amount shall be paid to him not later than what would have been the last day of the pay cycle immediately following that date if his employment under the crew agreement had continued.

(3C) If any amount which, under subsection (3A) or (3B) of this section, is payable to a seaman is not paid at the time at which it is so payable, it shall carry interest at the rate of 20 per cent. per annum.”

(6) In subsection (4)—

- (a) for “Subsection (3) of this section does” there shall be substituted “The provisions of subsection (3) or (3C) of this section shall”; and
- (b) for “that subsection” there shall be substituted “those provisions”.

(7) In subsection (6), for “(1) to (3)” there shall be substituted “(1) to (3A)”.

(8) The following subsection shall be added after that subsection—

“(7) For the purposes of this section any amount of wages shall, if not paid to him in cash, be taken to have been paid to a seaman—

- (a) on the date when a cheque, or a money or postal order issued by the Post Office, for that amount was despatched by the recorded delivery service to the seaman’s last-known address, or
- (b) on the date when any account kept by the seaman with a bank or other institution was credited with that amount.”

(9) In section 8 of the Merchant Shipping Act 1970 (account of seaman’s wages)—

- (a) in subsection (1), for “subsection (4)” there shall be substituted “subsections (3A) and (4)”; and
- (b) the following subsection shall be inserted after subsection (3)—

“(3A) Where subsection (3A) or (3B) of section 7 of this Act applies to the payment of any amount of wages due to a seaman under a crew agreement—

- (a) the persons who employed the seaman shall deliver to him an account of the wages payable to him under that subsection and of the deductions subject to which the wages are payable; and
- (b) any such account shall be so delivered at the time when the wages are paid to him; and
- (c) subsections (1) to (3) of this section shall not apply;

and subsection (7) of section 7 shall apply for the purposes of this subsection as it applies for the purposes of that section.”