

Bill Dixon *IEng IMarE MIMarEST*
1 Lemari Avenue,
Stoke,
Nelson 7011

1st May 2015

To: David Fraser, Clerk of the Regulations Review Committee
By Email: david.fraser@parliament.govt.nz

For the attention of the Regulations Review Committee.

My name is William Dixon, "Bill" to all who know me. Until 31st December of 2014 I was a Surveyor of Ships recognised as such by Maritime New Zealand.

I have read the submission sent to you by Keith Ingram and agree with his statements and sentiments wholeheartedly. I am one of the professional surveyors mentioned and did not renew my recognition due to three factors: the over-complexity of the reporting structure, the size of the fees I would have to charge and the high cost of the application.

Keith Manch (director of MNZ) states that the increase in surveyors' fees is through no fault of MNZ but carpetbagging by surveyors. When the reporting structure calls for more time filling in and dispatching reports than for the actual survey then the increase in fees is directly attributable to MNZ - who, incidentally, put out a suggested fee structure prior to the inception of the MOSS system.

The demise of MNZ as a helpful organisation started with the appointment of Catherine Taylor to the directorship of MNZ. She openly stated that she had no need to have experience of commercial operations in the field as she was just an administrator – she then, in my opinion, systematically rid herself of anyone who had the temerity to disagree with her. This dictatorial attitude carried on right through her tenure with her clarion cry of 'safety concerns' not being backed up by any knowledge of the subject – I have always been of the opinion that ignorance is an unsafe condition.

Catherine Taylor is an accountant and her only objective was to turn MNZ into a profitable organisation, she also wanted to make a name for herself. In the first she failed miserably and, in effect, bankrupted MNZ through frivolous litigation. In the second she managed very well, ask anyone in the industry and they will have a name for her (though most are unprintable!). She pursued a personal vendetta against the owners of Survey Nelson Ltd. through the courts with MNZ funds and was found wanting, mainly because of her unfounded 'safety concerns'.

Her legacy under the new management is the overbearing and dictatorial organisation she incubated and nurtured. Keith Manch is another career civil servant whose only aims are to bring every operator into line, even if it means putting them out of business, and to make a top heavy bureaucracy profitable.

I had a client who is so dyslexic that he can't recognise his own name when written down. MNZ visited him and demanded that he compile his own written procedures under the threat of closing down his operation if he didn't comply immediately. He is a very experienced vessel operator with a very safe attitude and a vessel that is kept in immaculate condition – MNZ do not care about this because it isn't backed up by paperwork that is of no possible use to him!

It has also become difficult to contact MNZ on any sort of technical basis, vessel operators who require an answer immediately are told to wait for several days for an answer – I am still being contacted by ex-clients to give answers to questions that used to be answered as a matter of course by MNZ employees.

The submission made by Keith Ingram has a 'Letter to the Editor' of the Professional Skipper magazine, written by me, attached. It lays out my training and experience, the reasons for which I was given recognition as a Surveyor of Ships. For this I was criticised by MNZ for being "pragmatic" in my approach to the job, it turns out that MNZ require every boat in the system to fit in the narrow confines of the rules laid down for the construction and operation of NZ vessels. I would estimate that less than 50% of NZ vessels comply in all ways to these rules and the rest are subject to a pragmatic approach, this has ever been the case and it is only with the advent of an under-qualified department, which is also lacking in experience, that this has become a problem.

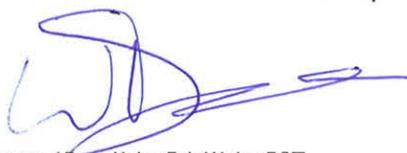
I attach a copy of my previous 'Letter to the Editor' of the Professional Skipper outlining my reasons for declining the expensive invitation to apply for the renewal of my recognition as a surveyor from MNZ.

MNZ has a department staffed with 'experts' in all manner of things and yet no-one in the whole department has ever been made aware of the "Law of Diminishing Returns"! I find this very strange as most of the board of directors appear to have financial expertise as their basic function, perhaps someone could explain it to them!

Personally I always fall back on what I was told as a young lad: "if you ever feel the urge to employ an expert then take a little more time and find someone who actually knows what he is doing – it's cheaper and you end up with the result you wanted, not the one the expert thinks you should have".

I submit that some of this could be alleviated by:

- a) Employing someone in the higher echelons of MNZ who has actual experience of commercial vessel operation in NZ.
- b) Creating a working environment at MNZ head office that encourages people to stay around long enough to learn enough to be of help when asked for advice.
- c) Create a manageable reporting system for surveyors that does not have to be boiled down from 80+ pages to something that fits the vessel.
- d) Reduce the extortionate fees charged by MNZ to the rate promised by Catherine Taylor and her adherents when MOSS was first presented to the industry.
- e) Allow common sense back from beyond the pale – it is a rare commodity, at best, and those who have it should be allowed to use it.
- f) Engender a helpful attitude in MNZ rather than a dictatorial and litigious one, the vast majority of commercial vessel operators want to work within the system and treating them like criminals does not create a helpful environment.
- g) Get the Minister of Transport to actually do the job he is paid for and take notice of his constituents instead of pandering to the whims of career bureaucrats.
- h) Teach the NZ civil service the meaning of the term 'incestuous', the 'jobs for the boys' attitude could well be replaced with using qualified people for the job.



Bill Dixon IEng IMarE MIMarEST
Ex-Surveyor of Ships

A surveyor's view of Maritime NZ's problems

BY BILL DIXON

I read the editorial in *Professional Skipper's* last issue (Nov/Dec issue) with much interest.

I had asked Maritime NZ, in an open email (July 10, 2014) which included all currently recognised surveyors, about my sudden lack of competence at the end of this year. I received one reply, from a surveyor, and have yet to hear from Maritime NZ – this is not unusual as awkward questions are usually ignored by them.

The rules do not call for a mandatory written examination. This is at the discretion of the Director of Maritime NZ. I would assume that he has taken advice on this subject as he has yet, as far as I know, to show any knowledge of maritime affairs in any of his statements or actions.

I have a feeling that the government has no requirement for the people running departments such as this to have any *actual experience* of the subject covered, I quote Catherine Taylor on this: "I have no need as I am an administrator and employ people who have this knowledge." She missed the point that when you employ people with knowledge you need to listen to them and not get rid of them at the first sign of dissent.

I wrote to the Director of Maritime NZ in June last year on

the subject of charging surveyors for issuing recognitions. We have all been told, quite strongly, that we represent the Director when we carry out our duties as surveyors. To then be told that he needs to be remunerated for this honour is a bit unusual – but then he did come from the real estate sector so gouging people will come as second nature. He replied saying that "user pays" in a letter that, roughly translated, came out as "because I say so".

When I was requested to reapply for recognition in 2013 I received a carefully worded set of instructions on how to go about it, signed by the Director. Nowhere did it mention a \$230 fee.

Two months after receiving the recognition, an invoice landed on my doorstep for the said amount. Had I been notified of a fee I would not have reapplied then. I have now received a demand for \$670, in advance, for application under MOSS. This will gain Maritime NZ the same amount of success, as I will not be submitting to the insult of sitting an examination set by someone of lesser qualification, and probably lesser experience, than myself (I hold a CURRENT unlimited Chief Engineers Certificate as well as being an experienced surveyor of ships). There was no mention of an examination when the request ►



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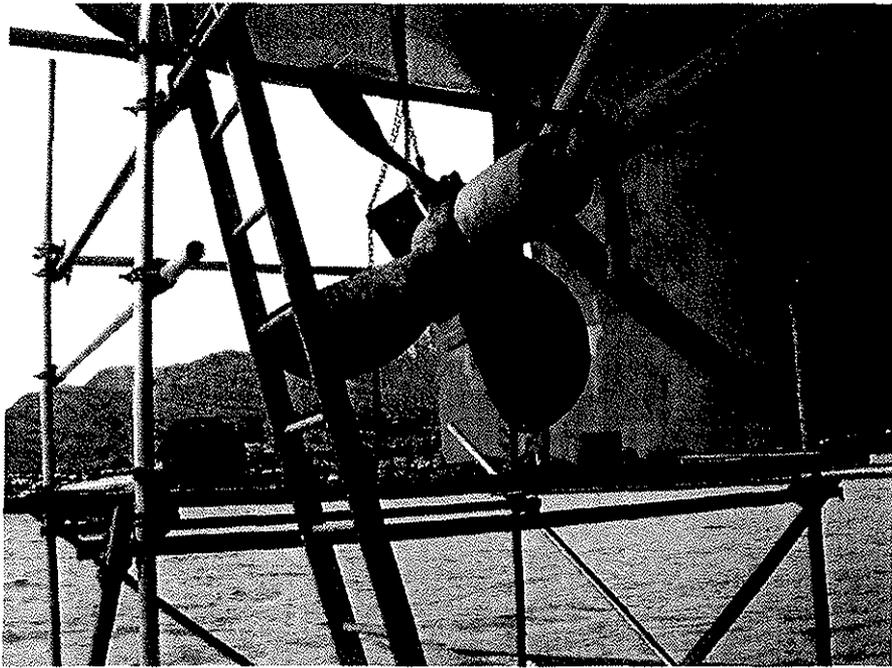
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the owners' responsibility, especially as the re-audit was carried out over five months after the survey.

This same MSI was a leading light of the MOSS travesty, one wonders if his knowledge of the rules is any better now? And – I never received an apology or a retraction.

The other thing that makes me very reluctant to carry on my (loose) association with Maritime NZ is their tendency toward litigation. I believe they have staffed a compliance department with superannuated cops. This is definitely a step toward the surreal. Maritime NZ head office has, since the advent of Catherine Taylor, had a belief that almost all operators/surveyors/SSM Companies should be treated with suspicion. Now they have a whole department of people who believe that the innocent are only the guilty who haven't been caught yet! This has to be a cosmic joke.

On January 1, 2015 I will breathe a sigh of relief and put the past few years dealing with

for applications was sent out (see the trend?) but as soon as the application went in I was told to book a time to sit the exam.

When MOSS was first mooted (and until I got this email) it was understood that all current surveyors were to be accepted as MOSS surveyors. Could the exorbitant fee be the reason behind it?

On the subject of competence, when I first started I was regarded as being so competent that I was never audited on my work before being recognised as a surveyor – I am told this is a very rare occurrence.

Now, after inspecting and passing a large number of vessels as fit with no complaints or misdemeanours, I am suddenly *unfit* for the job unless deemed so by the current regime at Maritime NZ. Sometimes one has to wonder who is in charge over there, could it be Walt Disney Enterprises?

I had the dubious honour of having a Maritime Safety Inspector brought from Auckland to re-audit vessels that I had surveyed three years ago. These vessels had already been audited by the local MSIs with no faults found. The imported person found fault with only one vessel out of the 12 or so rechecked. The faults were put down to incompetence on my part by Maritime NZ even though covered in Part 46 as being

Maritime NZ down as a bad experience – one that I would not wish on anyone else. Well, maybe on Catherine Taylor. I could also include Nathan Guy (then Associate Minister of Transport) and, especially Stephen Joyce (then Minister of Transport) for the way they pandered to the harridan.

We hear much about how hard it is to change the law of the land, but they managed to change a maritime law between a court judgment finding her in the wrong, and her appeal. Would you believe seven weeks? Luckily, this being a democratic dictatorship, they could not backdate it to when she first acted illegally.

I will miss the relationship that I have had with vessel owners and operators over the past years. But in all good conscience, I cannot carry on in a fashion that I am uncomfortable with. The charges that we have to impose for the increased work required by MOSS are extremely high when compared to SSM. I would rather do without the income than gouge people I like and respect.

We expected change when the last Director left. We all thought it would be for the better – how stupid can you get?

Bill Dixon IEng IMarE MIMarEST
(Soon to be ex) Surveyor of Ships

Regular readers of *Professional Skipper* will notice there is no MNZ Incidents Reports section in this issue. In response to our queries, the following notice was posted to the maritimenz.govt.nz website on July 28, 2014:

Accident, incident and mishap reporting summaries

Reporting summaries on hold

Until recently, a summary of notifications made to Maritime New Zealand about accidents, incidents and mishaps was published. In the interests of increasing notifications, and further protecting the privacy of those who make notifications, publication has stopped and these issues are being considered. This page will be updated when a decision has been made.

18 May 2015

Hon David Cunliffe
Chairperson
Regulations Review Committee
Parliament Buildings

Our ref: GSM
By email

C/- email: david.fraser@parliament.govt.nz

Dear Mr Cunliffe

Regulations Review Committee complaint – response to allegations that may seriously damage reputation

I refer to your letter dated 8 May 2015, inviting me to respond to allegations made by Bill Dixon to the Regulations Committee that may seriously damage my reputation.

I understand Mr Dixon has made these allegations in support of an earlier complaint made to the committee in respect to the Shipping (Charges) Regulations 2014, and he has included reference to the editor of Professional Skipper and material from the magazine.

I am aware that the Ministry of Transport has responded to a number of requests from the Committee addressing the earlier complaint and subsequent submissions made by Mr Keith Ingram on behalf of the Marine Transport Association. The information provided by the Ministry details the background and basis for the making of those regulations and also substantively addresses the allegations that the regulations are having a deleterious effect on the marine surveying community. I support the views and information provided by the Ministry.

In respect of Mr Dixon's support for, and correspondence with, the Professional Skipper magazine, I would note that criticism of Maritime NZ, directed at specific people, including me, is a feature of that magazine. Over time, Maritime NZ has sought to respond factually to matters raised in letters to the editor. Two examples specifically relevant to matters raised by Mr Dixon are attached.

Naturally, it is disappointing to be personally criticised, whether through an industry magazine or allegations such as those Mr Dixon has made. These criticisms are patently incorrect. It is particularly disappointing to see office-holders being personally attacked for exercising their statutory obligations in implementing regulatory reform. The reform follows numerous independent reports, which highlighted systemic failure of the previous domestic commercial shipping regime (known as SSM), in which poor levels of survey were identified as a key contributor to shipping casualties, leading to the loss of lives. The new regulatory regime (known as MOSS) has introduced higher regulatory standards, including increased levels of oversight of surveyors by the regulator to address those failures.

Mr Dixon has had a long involvement with Maritime NZ and clearly holds distinct views regarding a number of historical matters. He has elected not to re-apply for recognition as a surveyor under the new regulatory regime, unlike many surveyors who have done so and met the higher standards without any difficulty. Those surveyors are adopting the new requirements in the conduct of their business, including meeting reporting obligations. While inevitably such things take time to bed down, a feature of the MOSS system is that it brings

Maritime NZ's people into direct contact with operators much more significantly than under the SSM system. A strong element of this direct contact is the amount of assistance and support we are providing to all concerned, while maintaining a clear focus on improving standards. This is generally being well received.

Mr Dixon's criticism of Maritime NZ's application of the rules for the construction and operation of ships fails to recognise the fact that these rules were developed and are being implemented with the benefit of considerable maritime expertise from within Maritime NZ, and outside Maritime NZ. They are the standards expected for safe commercial vessel operations.

Contrary to Mr Dixon's assertions, technical maritime skills are not the only competencies required for Maritime NZ to successfully execute its functions. It is a maritime regulatory, compliance and response organisation, focussed on "safe, secure and clean seas and waterways". As such we need, and have, a wide range of skills, expertise and experience, including those provided by experienced mariners, naval architects and engineers. One of the letters attached, published in the same edition that Mr Dixon's article appeared in, explains this. Mr Dixon's allegations unfairly malign all Maritime NZ staff members, who are dedicated to making the maritime sector a safer place.

The highly emotive and incorrect statements made by Mr Dixon in his letter to the Committee are firmly rejected. To the extent that they may cause damage to my reputation, I am personally satisfied that I, Maritime NZ and all its people are acting in good faith and working hard to ensure that operators and surveyors interests are balanced with the necessary improvement in safety outcomes.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K. Manch', with a horizontal line extending to the right.

Keith Manch
Director of Maritime New Zealand

letters continued...

involved in the seafaring world, I am a professional in the similarly male-dominated world of construction, and something I always do really appreciate is the respectful way women are treated in your magazine. (I choose to forget Captain Asparagus!)

I know the magazine is a stalwart of the seafaring world, and I think it's open and respectful attitude to women in the industry will have a significant impact on the culture of the seafaring world at large.

Cheers Keith!

Jessica Glen, Lyttelton

Ha Ha Ha I love it. Did I say that. Well there is a tad of truth in the statement. - ed...

"SPOT THE SAILOR"

Dear Sir,

As a retired mariner, forced by age and decrepitude to a shoreside existence, I find that my lack of current sea-going experience means that I cannot join the chorus of discontent with and vilification of Maritime New Zealand. In the plethora of charges voiced against the organisation is one that they are all – or almost all – landlubbers imposing inappropriate rules on experienced seafarers. Just so that all those in the industry know what levels of expertise they are dealing with, can you ask MNZ to furnish some statistics along the lines of:

- Total number of officials/employees in MNZ
- Number of Master Mariners
- Number of Mates
- Number of Chief Engineers
- Number of persons with other relevant maritime qualifications

R Lea Clough, Napier

MARITIME NZ RESPONDS: STAFF QUALIFICATIONS

Dear Sir

This letter responds to R Lea Clough's letter to the editor regarding maritime experience within Maritime NZ.

Before commenting on the extensive maritime experience we have it is worth reflecting on Maritime NZ's role. We are a maritime regulatory, compliance and response organisation – focussed on "safe, secure and clean seas and waterways". As such we need, and have, a wide range of skills, expertise and experience, including that provided by experienced mariners.

Our regulatory role requires regulatory, policy, and legal skills and experience; our compliance role requires skills and experience in education, licensing and certification, auditing, inspection, investigation and the application of the law; our response role requires skilled and experienced search and rescue managers and officers; and people with emergency response planning, leadership, communication and coordination experience. Given that our maritime role includes environmental responsibilities we also have environmental skills and experience.

For the organisation to operate effectively we also have administrative support, financial, IT, communications and human resources skills and experience.

A previous editorial in *Professional Skipper* questioned Maritime NZ's process to assess surveyors – I can assure you that any technical assessment of surveyors is carried out by staff with appropriate maritime qualifications and experience.

In the organisation as a whole we have 198 staff. This is made up of:

- 39 in our Safety and Response Group (which includes the Marine Pollution Response Service, Rescue Coordination Centre, and Maritime Security)
- 43 in Corporate Services (which includes planning, risk management, administrative support, communications, IT and finance), HR and the Office of the Chief Executive (which includes strategy and governance)
- 116 in our Policy and Legal, Standards and Compliance groups – where you will find most of the 48 staff with maritime qualifications. The breakdown of their highest qualifications is as follows:

Master Mariners	13
Chief Engineers	11
Mates	2
Naval Architects	2
NZ Offshore Master	5
Offshore watchkeeper command endorsed	1
ILM/CLM	6
Third Engineer + Master's Degree in Engineering	1
Inshore Fishing Skipper	1
Master 3000GT	1
Deep Sea Trawler Engineer	1
Qualified Fishing Deckhand	1
US Coastguard	1
Senior Raft Guide 4/5	1
Yacht master off shore	1

I would also note that from time to time experienced maritime industry people are engaged from outside Maritime NZ in project work alongside our own experienced staff, such as for the SeaCert developments and the development of the surveyor performance requirements. Additionally, policy development processes involve extensive industry consultation providing for input from across the maritime industry, the results of which are invariably considered fully by both staff with policy and maritime experience.

Keith Manch, Director, Maritime New Zealand

COMPLIANCE DIVISION WOES

Dear Sir

What the f#%? is Maritime NZ doing?? Are they not supposed to be our responsible regulator and work with us?

Now I am old enough to remember the old Marine Department and recall the establishment of the MSA and the Government trade-off in creating M&I [Marine and Industrial Department so it could be sold – because the cost of running a compliance system was too expensive for the Government.

So they palmed it off to private enterprise, and to ensure no one ripped the system, created a competitive environment. The MSA worked with the maritime industry in creating Safe Ship Management, a system that served us well for 20 years.

Mariners from the maritime industry, managed the MSA in those days, and they understood the industry. Today, with Maritime NZ, we have an organisation twice as large, run by ex-coppers and jailers who know 'jack shite' about the maritim

hoops – leaving us with the impression that he was searching for areas where he could claim SSM had ‘failed’ us to justify this new attention and costs.

During the course of our overly-long inspection, we asked if he was going to inspect a known dodgy operator who has a ‘sick’ boat and is always in trouble. Only to be told something like: “No, we know he’s a big problem, and we don’t have the resources to deal with him.”

Then a recreational boatie – who does more trips than anyone else fishing and, we suspect, is selling fish and doing illegal charters – turned up and loaded his crew of seven plus gear.

Our suggestion that our MO might like to pop along, wave the flag and have a few words with our suspect, was met with words to the effect of: “Nah, too hard. You should report him to the Fisheries Officers”.

Which left us with the clear view that he was only here to target known operators and pick the easy fruit.

Ron Davis, Auckland’s Super City

INCIDENT REPORTS

Dear Sir

Having spent some years working in health and safety within the construction industry, I can confirm that at the commencement of an investigation into an accident/incident [be it actual harm or a near miss] there are three principal question asked;

1. What happened?
2. Why did it happen?
3. What must we do to stop it happening again?

Circulating “lessons learned” information is one of the most important steps that can be taken to stop a similar type of accident/incident happening again.

Might I suggest that if the “incident reports” currently being gathered [but not circulated] by Maritime NZ should indicate that a particular trend is developing, and Maritime NZ do not make this developing trend known to the maritime fraternity, then Maritime NZ might be guilty of not taking all practicable steps to improve safety.

Graeme Coutts, Wellington

Thanks for your letter Graeme. We’ve been putting the case for the resumption of the publication of incident report summaries to Maritime NZ since the middle of last year. Our latest request for an update resulted in a “Stand by, a decision is not far away” message ... followed by the news that Maritime NZ has recently completed a review of the “legal issues” around “the previous approach taken to publishing accident, incident and mishap reports” and “the intention is to reinstate the publishing of monthly summaries ... from 1 May 2015”.

We will, of course, keep our readers informed. Ed...

MARITIME NZ RESPONDS

Dear Sir

With a major regulatory change like MOSS it’s natural that people are talking about it. But while there was a lot of comment about MOSS in the last issue of *Professional Skipper*, much of it wasn’t accurate.

MOSS costs: Invoices for the first 57 MOSS applications show total Maritime NZ-related costs range between \$1414 for a single-vessel operator to \$4325 for an operator running 22 vessels.

These are in line with the forecast range of MOSS fees on the Maritime NZ website.

Survey costs: If surveyors are tripling their costs, as suggested in the last issue, MOSS is not to blame. The rules relating to surveys and the structure of ships have not changed, so the time taken to survey a vessel should not change.

If surveyors believe they need to fill out a 94-page template for MOSS, they are not using the template correctly. The online template on the Maritime NZ website is designed to cover every possible vessel type – but surveyors need only use the sections relevant to the survey they are conducting.

For example, the template has sections covering Hull Decks and Superstructure for FRP ships, Steel and Aluminium Ships, and Wooden Ships. A single vessel will be obviously only be in one of these categories, not all three.

Maritime NZ staff: Several correspondents in the last issue commented on Maritime NZ’s hiring of former members of the NZ Police. I am one of the “ex-coppers” – and proud of it. Even though I left the Police 25 years ago, and have worked in many different regulatory areas since, I still recall the sense of camaraderie, public service and enjoyment in helping people from all different parts of our communities. I now enjoy working with a very *small* number of other “ex-coppers” and a much *larger* number of experienced mariners, for similar reasons.

To suggest, as one letter-writer did, that former policemen were hired “as they know how to prosecute people” has no basis in fact. Prosecution is just one of Maritime NZ’s tools – and is used sparingly. There has been no increase in prosecution activity by Maritime NZ. Most of our time is spent working with people to support, encourage and ensure they can effectively manage the risks inherent in the maritime industry.

The statement in Alan Moore’s article [*The Fall and Fall of our Industry Regulator*] that Maritime NZ added “at least 100 people” as a result of MOSS is well off the mark. Inevitably, the introduction of MOSS required Maritime NZ to add to its staff – it is now doing work previously carried out by other companies – but as at 30 June 2014, there was an increase of 23 staff, with varying levels of engagement with MOSS.

Moving forward: Five years ago, in the July/August 2010 issue of *Professional Skipper* the Editor wrote: “Clearly SSM as we know it is not working, as our mediocre safety records continues an upward trend ... The current safety management framework is not delivering a good enough safety outcome.”

MOSS is the new safety system that the Editor, and many others, recognised was needed. I appreciate that it represents a major change – for both operators and Maritime NZ – and we are all adapting to that change. I also appreciate that no one really likes paying for the services they get from a regulatory organisation, and our people certainly don’t enjoy the “tension” this creates in their engagements with the good, hard-working people they deal with in the industry. But that’s the reality of how such work is funded in New Zealand.

I am sure we can all agree that working together will produce the best results. Having the facts, and an open mind, when discussing issues will assist that process.

Keith Manch, Director, Maritime New Zealand 