Are there jobs for all the shipping industry?

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The shipping industry worldwide has undergone extensive transformation over the past few decades with regard to its labour and capital. During this time, growing international competition has driven operational costs and profitability. The general effect has been a major shift in the international patterns of demand and supply which has gradually diminished the pool of qualified seafarers in advanced maritime nations like the United Kingdom, Holland, Germany and Italy. This as a result of decreasing seafarer employment and cadre trained in these countries.

The big question here is whether this necessarily means that job prospects for developed-country seafarers have diminished so much that there will be no place for them on the world fleet in the future. Many people within the industry, including some owners and managers, tend to believe this to be the case, especially considering that several initiatives introduced in countries like the UK to attract seafarers have not had much success. There are, however, some who do not think that the industry is deliberately phasing out a certain section of the labour force for economic reasons but, instead, believe that all seafarers from certain regions of the world, mostly but not only from developing countries, are choosing to work abroad from the belief that companies no longer want to employ them.

In an interview, one of the company crewing manager argued that many young seafarers “chose to ignore career opportunities at sea because, somehow, they consider seafaring jobs as a developing country occupation”. Another manager was of the opinion that young people nowadays considered vocational jobs like seafaring “too difficult and not up-market enough for them”. So, although the observation that the seafarers driving the world fleet and the shipping companies of developing countries is correct, it is worth asking whether this means that the industry no longer needs, or indeed, has no place for those from developed countries. It is my opinion that what we are seeing is that all those who wish to establish a career at sea and that whether or not a company can suffer a loss on one's qualifications and competencies rather than nationality. The findings of my study on the decline in the Indian pool of seafarers and the strategies adopted to address this certainty support this argument of the industry.

Although many UK-based companies recruit many of their officers from developing countries, some, for varying reasons, still retain great interest in their traditional “home” sources. Evidence indicates that, much as owners want to reduce operational costs, they still generally want well-trained and highly qualified officers who will ensure competent, efficient and safe operations. According to one manager, his company recruited individuals and skills rather than nationalities.

The recruitment strategies and preferences of UK-based companies seemingly vary greatly depending on what area of shipping one specialise in, the size of the company and the type of ownership. Some companies, for example, identified as continuing to train and employ a large number of British junior officers include multinational operations, small and single-vessel shipping companies, companies operating at the top, highly technical and competitive, and companies at the end of the market, and small family-owned companies which largely operate regionally. The main argument presented by those companies was about confidence in the training programme and certification procedures in the country and a proven track record of British officers. One human resources manager explained that because the company operated highly sensitive and technical vessels (LNG and LPG carriers) – confidence in the training and certification of officers was of the utmost importance. “Although we have recently started recruiting from other sources, we still maintain a large number of British officers and continue to train because of our confidence in their ability.”

In the view of many managers, safety, integrity and proficiency are key or really important. This is the major shift to low-wage developing countries, which is why there is still a lot of room for officers from developing countries. In fact, according to many of the managers interviewed, “as long as a position is adequately trained and well qualified, there are always jobs for them elsewhere, even if they do not come from”. Furthermore, the issue of cost as a determining factor for where companies recruit from does not seem to be as dominant as it was a few decades ago. Other considerations, such as safety, efficiency and environmental implications are taking centre stage as the industry increasingly globalises and moves towards self-regulation. Moreover, the current worldwide shortage of qualified officers has greatly narrowed the wage gap, so that companies wishing to attract high quality officers are paying competitive rates in all their recruitment sources.

Ultimately, what this suggests is that although the general trend has been a shift to low-wage developing countries, there is still a lot of room for officers from underdeveloped nations. In fact, according to many of the managers interviewed, “as long as a position is adequately trained and well qualified, there are always jobs for them elsewhere, even if they do not come from”. Furthermore, the issue of cost as a determining factor for where companies recruit from does not seem to be as dominant as it was a few decades ago. Other considerations, such as safety, efficiency and environmental implications are taking centre stage as the industry increasingly globalises and moves towards self-regulation. Moreover, the current worldwide shortage of qualified officers has greatly narrowed the wage gap, so that companies wishing to attract high quality officers are paying competitive rates in all their recruitment sources.