

Are there jobs for all in the shipping industry?



Victor Gekara of the Seafarers International Research Centre

questions a widely held view that job prospects for developed-country seafarers have diminished

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 for shipping business and increasing operation costs have driven shipowners and operators, particularly from advanced maritime countries, to seek alternative sources of labour in developing countries, where labour is abundant and less costly.

The objective has been

to maintain competitiveness 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 Denmark as a result of decreasing seafarer employment and cadet training levels.

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, believe this to be the case, especially considering that several initiatives introduced in countries like the UK to promote seafaring have not had much success. There are some, however, 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 seafarers from certain regions of the world, mostly but not exclusively from developed countries, are choosing to withdraw from the market in the belief that companies no longer want to employ them.

In an interview, one company crewing manager argued that many young people in industrialised countries “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 are increasingly coming from 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 the industry has jobs for all those who wish to establish a career at sea and that whether one gets a job or not depends on one’s qualifications and competency rather than nationality. The findings of my study on the decline in the British pool of seafarers and the strategies adopted to address it certainly support such a conclusion.

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 competitive, 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 they specialise in, the size of the company and the type of ownership. Some of the companies identified as continuing to train and employ a large number of British junior officers include multinational container and oil shipping companies, companies operating at the top, highly technical and specialised 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 – LPG and LNG 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 abilities,” he said.

In the view of many managers, safety, quality of service and environmental integrity remain the most important considerations for diligent modern ship operators. This, according to one manager, “determines reputation in the business and, therefore, profitability”. He further explained that the times when companies were driven purely by cost and profit were gone. “Shipping clients are well informed now and want safe and high quality services.” This, he said, was what drove the company’s recruitment policies. This argument seems to disprove the oversimplified and often generalised theory that employers are completely abandoning UK junior officers for cheap foreign ones in order to cut costs.

Family owned and operated companies and

those which operate within the region also indicated a continued preference for British officers. Their argument was that, apart from having confidence in British training and certification, they also considered the expenses and logistical difficulties of getting foreign crews to and from their vessels prohibitive. It was, according to the manager of one such company, “much cheaper and more convenient to recruit locally in the long run”.

Many of the larger multinationals, on the other hand, argued that because of the global nature of their operations, they recruited from many locations around the world, including the UK. For this reason their crews tended to be highly multinational and they were happy to keep it so. Some, however, argued that because their main commercial base was in the UK they maintained it as one of their core labour sources and intended to do so into the future.

Ultimately, what this suggests is that, although the general trend has been a shift to low-wage developing countries for seafarers, there is still a lot of room for officers from developed countries. In fact, according to many of the managers interviewed, “as long as people are adequately trained and well qualified, there are always jobs for them irrespective of where they 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.