

Living and Working Conditions in the Large Yacht Sector

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Abstract

The large yacht sector is an economically important and growing sector of the maritime industry. This paper reports on the living and working conditions for crew onboard these vessels. The findings are based on research undertaken by the Seafarers International Research Centre (SIRC) on behalf of the Professional Yachtsmen's Association (PYA), and in light of the Maritime Labour Convention (MLC) 2006. Specifically, the paper reports on terms and conditions of employment, standards of accommodation, hours of work and rest, and areas of concern to seafarers. Tentative comparisons are also drawn between the large yacht sector and the merchant navy.

Introduction

The large yacht sector is associated with luxury, opulence, extreme wealth and exotic locations. With some 6,000 yachts registered worldwide (Errico, 2010), varying in length from 24 metres to 150 metres plus, it is a substantial and growing industry. It was claimed by Hughes in 1993 that "Superyachts are a \$2 billion a year industry", and it is reported that demand for such yachts has grown at a rate of 500% a year over the last decade (BBC, 2008). Despite the economic downturn, in 2010 twenty eight superyachts (i.e. yachts 24m +) were sold at a value in excess of 300 million Euros (Liveyachting, 2010). At the extreme end of the market mega-yachts can cost in the region of \$4-500 million. In 2009/10 the UK sector of the industry alone, involved in design, building, refit, supply chain and service provision, employed some 3,500 employees and was reported to be valued at £420 million - a growth of 3% on the previous year (BMF, 2010). While the Mediterranean, the Balearics and Florida have traditionally been the central hubs of superyacht activity and operation, growing markets and yachting activity are now reported to also be developing in the Gulf region, China and South America (Liveyachting, 2010).

Amongst the huge wealth and glamour of this sector are the thousands of workers that operate and maintain these boats and provide hotel services for owners and guests. This paper reports on the findings of a questionnaire survey that examines the working and living conditions of such workers.

The survey was a commissioned study by the Professional Yachtsmen's Association (PYA) and undertaken by the Seafarers International Research Centre (SIRC) in response to the International Labour Organisation's (ILO) Maritime Labour Convention (MLC) 2006. The convention sets minimum standards for size and design of crew accommodation which superyachts typically do not meet. The argument presented by the PYA was that the standards were primarily intended for workers aboard merchant ships whose working life is very different to those aboard yachts, and further, that to require yachts to meet these standards would be highly damaging to this lucrative and flourishing industry. Thus the survey was designed to provide independent and impartial evidence as to what living and working conditions aboard superyachts are actually like.

Methods

The staff at SIRC in consultation with the PYA developed a questionnaire to examine living and working conditions. This was then made available online on 2nd July 2010 and links to the site were distributed by the PYA to its members, and others, via crew agencies, management companies and various media outlets. After one month the 1,503 responses posted were analysed by staff at SIRC and a report of the findings produced. This paper gives a brief overview of those findings.¹

Findings

The Respondents

Completed questionnaires were received from 1,503 individuals. The sample was notably skewed towards senior officers with 44% of the sample being captains and further 8% chief engineers. Similarly the sample was largely comprised of men (85%), and the majority of respondents reported being single (65%). The average age of respondents was 39 years old, and most were from OECD countries, including 41% from the UK. The average time worked

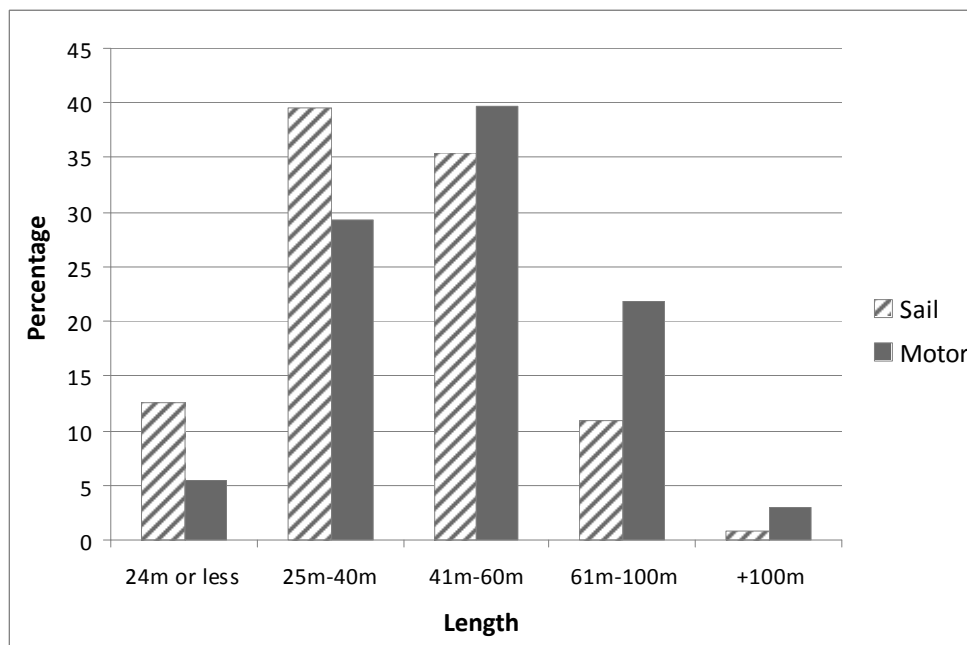
¹ For the full report see: www.pya.org

in the yacht sector was 12 years. Very few individuals were members of a trade union with 93% indicating that they were not.

The Boats and their Crews

Respondents worked on both motor (83%) and sail (17%) yachts. Individuals worked on a range of yacht sizes from less than 24m in length to larger than 100m, but with the majority employed on boats of 24-60m in length. As can be seen in Figure 1 below, the largest group working on sail boats was on vessels of 25-40m, whereas on motor yachts it was 41-60m.

Figure 1: Percentages of respondents employed onboard motor and sail yachts respectively by length of boat



Crew sizes varied according to size of yacht, but average crew sizes were eight on sail boats and thirteen on motorboats. Despite the large number of responses from males, it was reported that onboard there tends to more of an even split of male and female workers. On both motor and sail yachts the most frequently recorded number (i.e. the mode) of male and female crew onboard varied according to the size of the boat, as can be seen in Table 1 below.

Table 1: Crew sizes (n=mode figure) and distribution by gender

Length (metres)	SAIL			MOTOR		
	Female	Male	Total	Female	Male	Total
24-40	2	3	5	2	3	5
41-60	3	6	9	4	6	10
61-100	4	8	12	5	12	17
100+	19	22	41	10	30	40

These figures include both permanent crew and additional crew employed for the season. The majority of yachts worked on were privately owned (59%), while 41% of respondents worked on commercially owned boats. The boats were registered under some 45 different flags, although there were three main groupings: Cayman Islands (44%), UK (17%), and Isle of Man (7%).

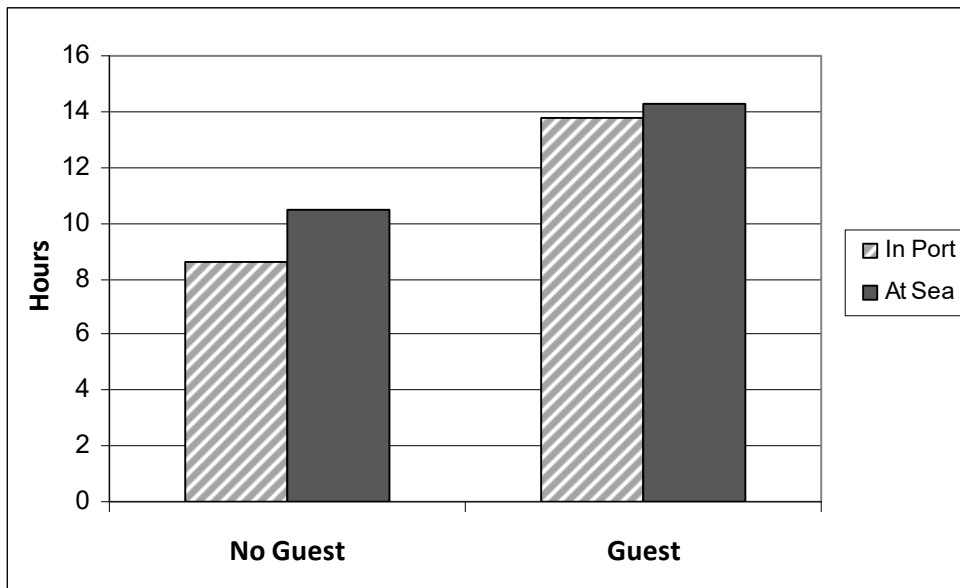
Terms and Conditions of Employment

The majority of respondents (61%) had permanent contracts. For those who reported being on fixed term contracts the average length of contract was 1.44 years. The principal currencies for payment were US dollars and Euros. Those paid in Euros tended to be slightly better paid than those in dollars, although this is clearly subject to variation with changes in exchange rates. For those paid in Euros the most common salary was in the range of 5-7,000 Euros per month. Although basic salaries were good, for most, their employers did not make any national insurance contributions (77%) or pension contributions (94%). On average these workers were entitled to 41 days paid annual leave, including public holidays.

Working Hours

Working hours varied according to whether the boat was at sea or in port and crucially whether there were guests onboard. As can be seen from Figure 2 below, crew worked fewest hours when in port without guests (on average 8.6 hours per day) by comparison the busiest times were at sea with guests onboard (on average 14.3 hours per day).

Figure 2: Hours worked in port and at sea, with and without guests onboard

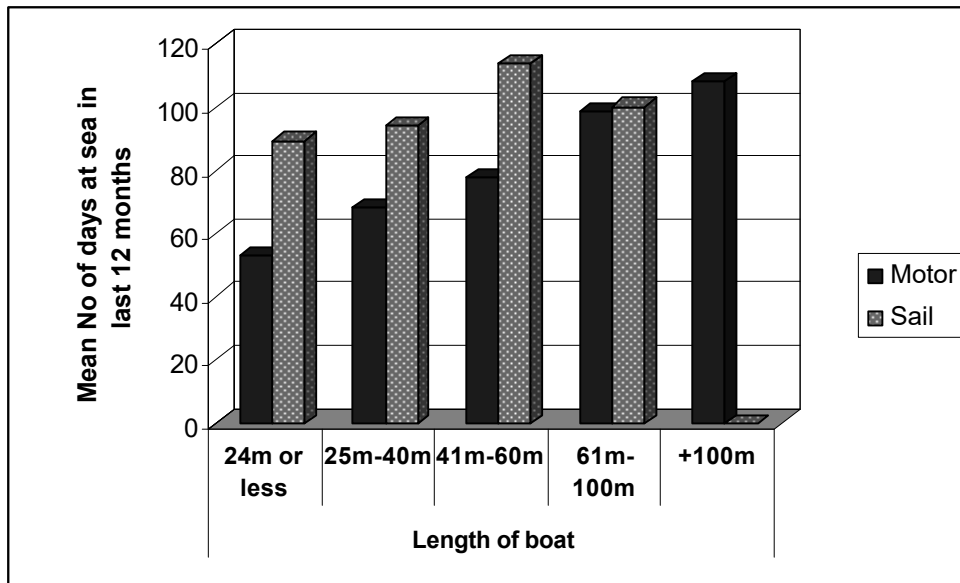


The period that guests were onboard varied considerably but on average those on motorboats tended to have guests onboard more frequently than those on sail boats. For those on motorboats the average time that guests were reported to have been onboard over the preceding eight weeks was 19.3 days, whereas for sail boats this was 14.8 days. That is, approximately a third and quarter of the time respectively. Length of boat was also a clear predictor of the amount of time guests were reported to stay onboard, with larger boats having guests onboard more frequently. On average boats spent more than three quarters of their time in port and just 23% of their time at sea.

Figure 3 shows the mean number of days spent at sea during the last twelve months for different lengths of both sail and motor yachts.

It can be seen that, in general, larger boats and sail boats were more likely to spend longer times at sea.

Figure 3: Average number of days spent at sea by type of boat and boat length



Likewise length of boat was a clear indicator of whether individuals were likely to report having adequate rest, with those on larger boats more likely to give an affirmative response.

When not working, and in port, individuals reported being able to get ashore regularly, although the extent of this varied and was dependent upon whether there were guests onboard. When there were no guests onboard 99% of respondents said they could get ashore at least weekly; of these, 88% could get ashore on a daily basis and 33% of them could go ashore several times a day. Moreover two thirds of respondents stated that they could stay ashore for more than six hours.

With guests onboard there was less opportunity to get ashore, but 58% still reported that they could get ashore weekly, and of these 15% could do so several times a week and 9% several times a day. Eighteen percent indicated that they could not get off while guests were onboard. Those that could get ashore said they could typically do so for one to six hours.

Importantly time ashore was usually in places considered glamorous and offering good access to facilities such as cafes /bars, restaurants, and cinema /theatre, etc.

This contrasts sharply with life aboard a merchant vessel. For instance, Kahveci (2007), in a study into port base welfare facilities, reported that 64% (i.e. 2,160) of 3,375 seafarers

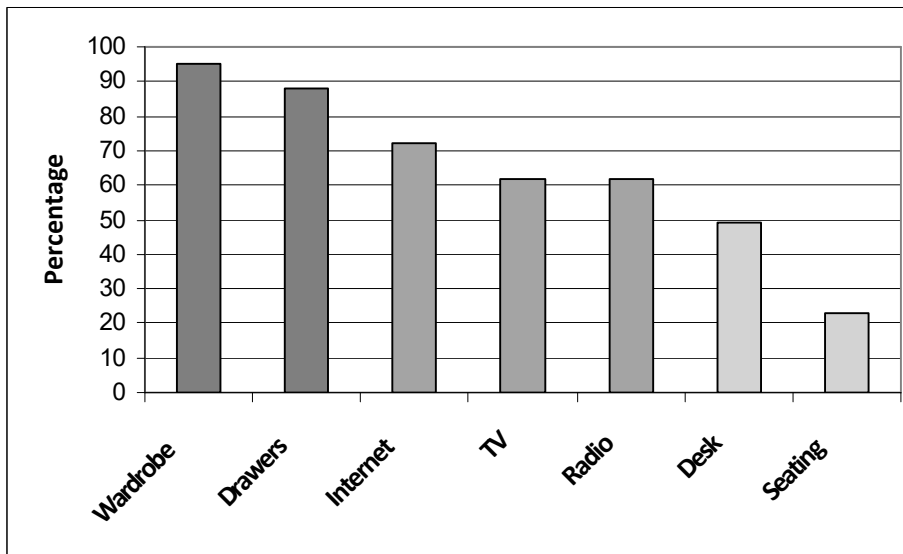
surveyed had not had shore leave in the previous eight weeks. Moreover, when they had enjoyed shore leave, it was said to last about two hours and seafarers tended to stay in the port area.

Accommodation onboard

A notable feature of the crew accommodation aboard these luxurious yachts was the fact that the majority had to share a cabin (64%) and of these 43% shared with a member of the opposite sex and only half (51%) of these had any choice over the matter. Consequently of those that did share a cabin 53% reported that they objected to doing so, at least 'sometimes'. On the positive side 85% of cabins had en-suite bathrooms. Nonetheless when asked their preference, as a first choice, 79% of respondents expressed a preference for a **single** en-suite cabin. However, in terms of their second choices more respondents expressed a preference for a **single** cabin **without en-suite** facilities (40%) than a **double** cabin **with en-suite** facilities (35%). It appears therefore that greater importance was attached to having a *single* cabin than en-suite facilities for many respondents.

While the majority (59%) were happy with the standard of their cabins, less than half (48%) were satisfied with cabin sizes. By comparison 29% reported that they were unhappy about the standard of the cabins and 21% with the size. The rest were neither satisfied nor unsatisfied. Facilities within cabins varied, as can be seen in Figure 4. Most respondents had access to a wardrobe and drawers, as well as TV, radio and internet within the cabins. However, less than half had access to a table / desk, and only about a fifth had comfortable seating in their cabins.

Figure 4: Percentage reporting facilities provided in cabin



The Attractions of the Yachting Lifestyle

Individuals that responded to the survey made clear that they had a real enthusiasm for the work which rewarded them with a good salary, allowed them to work in a ‘luxurious context’, and allowed access to places and facilities ashore and onboard associated with a glamorous lifestyle. Moreover it was reported that there was good camaraderie amongst crews as individuals took pleasure and pride in their work. The following comments are typical of those made by respondents.

I love the sea...the camaraderie along with the special places we visit on magnificent vessels makes it a great lifestyle (#296, Cpt.)

There is nothing else out there that comes close. Travel, interesting places, out-going people and I love boats (#482, Chief Engineer)

Downsides of the Yachting Lifestyle

When given the option to suggest possible improvements a number of issues were mentioned and accommodation was the most frequent. Specifically respondents complained that there was often a lack of storage space, that noise was an issue, communal space for crews was reported to often be very limited, and more generally individuals expressed their

dissatisfaction with the lack of privacy. A number of these features are captured in the following comments.

[I]t would be nice to be able to have a good space to escape, to be able to store your belongings, write a letter or to actually sleep without hearing the crew mess. Although it is the owner's yacht, I feel that there is too much emphasis on their accommodations... The two forward cabins have NO portholes & we have 2 x 3 berth cabins as well and the Captain's Cabin is on the LOWER crew deck (so the owner can have more space) this jeopardizes the yacht's SAFETY (#538, Head Chef)

I would rather have my own cabin with shared or private facilities than sharing a cabin with another crew member. (#1074, Deck hand)

Other areas mentioned as a cause of dissatisfaction were as follows:

- Long working hours when guests were onboard. As stated previously (see Figure 2), when guests were onboard crews could work up to 14 hours a day. This compares unfavourably to Merchant Navy crews on car carriers who, on average, are reported to work 11 hours per day (Kahveci & Nichols, 2006). However when there were no guests onboard, working hours onboard yachts were reported to reduce to an average of 8.6 hours per day.
- A degree of bullying / harassment from owners and captains. Eleven percent of respondents reported having experienced such behaviour often or more frequently. In a study for the UK Government in 2008 (Fevre et al, 2009), 7% of respondents reported harassment, 1% reported sexual harassment and 7% reported having experienced discrimination. Thus the figures for the yachting sector could be seen as high.
- A lack of formal employment regulation meaning individuals felt insecure in their employment. We can but speculate, but it would not seem unreasonable to argue that this point is related to the above issue of harassment.
- It was also felt that there was room to improve the terms and conditions of employment with better leave and the inclusion of social security and pension provision. With reference to the latter, the limited available evidence suggests that in the Merchant Navy more seafarers may receive some form of pension contribution. The Shiptalk survey of

2007/8, for instance, indicates that 30% of respondents in the Merchant Navy received pension contributions (Shiptalk, 2008). Similarly a 2006 study (Shiptalk, 2008) of seafarers in the car carrier sector claimed that of the 276 ratings surveyed, 68% of those working on nationally flagged ships, 28% of those on FOC ships with ITF agreements, and 20% of those on FOC ships without an ITF agreement, received pension contributions.

Generally there were differences in responses between men and women, and dependent upon type and length of boat worked on. Typically men, those on motorboats and those working on larger boats, reported more favourable conditions.

In summary, the yachting sector is an important and growing industry. It provides workers with the opportunity to travel, earn reasonable salaries and to participate in a lifestyle marked by luxury and glamour. However despite the obvious enthusiasm conveyed by workers in this sector there are clearly areas for improvement in terms of formalising working conditions and providing better accommodation.

Conclusion

As discussed in the introduction the reason for the study was to identify the living and working conditions for crew in the large yacht sector in relation to the MLC (2006).

The study provided key insights into living and working conditions in this sector. It revealed a complex and varied situation that largely related to type and size of boat, but was also influenced by factors like gender, and position held onboard. As was stated earlier, the sample of respondents was skewed towards male senior officers and so we can assume that the conditions presented may be more favourable than would be obtained from a more balanced sample.

There was a general enthusiasm for working in the sector that related to pay, travel, and participating in a sector of the maritime industry associated with luxury in terms of the vessels worked on, and time spent in glamorous locations. However there were a number of areas where it was generally agreed that improvements could be made.

Terms and conditions of employment were generally seen to be good with the majority of workers (61%) on permanent contracts; although concern was expressed that lack of employment regulation in this sector meant workers felt insecure in their jobs. It was also felt that better provision could be made in terms of contributions to crew pensions.

A clear benefit of the occupation was seen to be access to a wide range of facilities both onboard and ashore. This contrasts sharply with conditions in the Merchant Navy where seafarers have very limited facilities onboard and get little opportunity to get ashore or to partake of shore based facilities.

Despite the opportunity to spend time ashore, crew still spend extended times onboard and typically have to share their cabins, often with individuals of a different gender – which around half objected to. There were further complaints about limited space for both storage and recreation and many experienced issues with noise.²

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² As a consequence of lobbying by the sector (especially the PYA) the ILO has recognised that the application of the MLC to Large Yachts is an issue, and has allowed for a sliding scale of substantial equivalents.

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