

**Understanding the Seafarer Global Labour
Market in the Context
of a Seafarer ‘Shortage’**

Priscilla Leong

School of Social Sciences
Cardiff University

This thesis is submitted to Cardiff University in fulfilment of the
requirements for the Degree of Doctor of Philosophy

December 2012

Acknowledgements

I have many people to thank, who in their different ways have contributed to the fruition of this thesis. I would like to record my profound gratitude and appreciation to a number of them.

First and foremost, the possibility that I might embark on a PhD, dedicated to the profession of seafaring, would not have been possible without the kind sponsorship of the Nippon Foundation. I am sincerely grateful for their foresight and generous commitment to building a global network of expertise in maritime research, education and training. I am indebted also to my friend and former colleague, Lee Sang Chiat, who started the ball rolling when he called my attention to the opportunity and continued to support me through his patient explanations of the industry's many idiosyncrasies.

I am grateful to all my participants (who for ethical reasons, I am unable to name), from shipping companies, maritime organisations, maritime authorities, maritime consultancies and individual seafarers who took time off their busy schedules to speak with me. I thank them for their hospitality and for generously sharing their views. I am also immensely thankful to my circle of friends and colleagues in the maritime industry for their support and for facilitating access to part of the fieldwork.

This thesis would not have been completed without the generous advice, time, and patience of my Supervisors of Studies, Drs Nick Bailey and Ian Welsh. I am immensely grateful for their guidance and encouragement. Under their able direction, I was able to steer a steady course – I have been most fortunate to have been able to avail myself of their insights and professional opinion. My thanks also go to the administrative and technical staff of Cardiff School of Social Sciences (SOCSI) for the professional admin and technical support they render for a myriad of post-graduate needs. To the academic staff, for the excellent preparation and delivery of the Postgraduate Research Seminars and Workshops which provided the footholds to scale the PhD challenge. My gratitude goes out especially to staff at the Seafarers International Research Centre (SIRC). Their help, together with their friendship and concern, smoothed the way along a sometimes bumpy route - thank you Maria (Goldoni), Lou (Deeley), and Sarah (Venables).

I reserve my special thanks and appreciation for my friends and family whose support was most crucial to an arduous PhD journey.

My parents, Albert and Julia Leong, have patiently endured my second prolonged absence from home. In his very conservative south-east asian manner, my father pronounced his very brief (yet poignant) encouragement to me, "Study Hard" he said, as we bid our farewells at the airport. I am greatly blessed by my mother's ready support and I happily indulged in her exemplary home cooking every time I was able to return and rekindle the familiarity and comforts of home. To my sister, Angeline, I remain indebted for her time and responsibility in standing as my 'Power of Attorney' for some of my personal matters. I am especially grateful to my cousin, Dr Christine Han, whose advice and assurances in the initial phases of my PhD journey steadied my vessel and ensured that I stayed the course. I hope they derive some appropriate satisfaction from my completion of this project.

I have been very fortunate to have met and made the friendships of many local and international individuals in Cardiff. They have added the much needed colour and balance to my academic pursuits. Though I cannot name them all, they continue to be close to my heart and my Cardiff experience. Specifically, I owe a debt of friendship to the Nippon Fellows who have gone before me, Dr Victor Gekara, Yvonne Mpagi, Dr Syamantak Bhattacharya, Susmita Bhattacharya, Dr Momoko Kitada and her family, Nao, Emiko and Taisei), Dr Zhao Zhiwei, and Dr Li Li. In their friendship, support, and hospitality have sustained me towards my goal. In particular, I am indebted to Dr Tang Lijun for his constant friendship, advice and practical encouragement which helped stem the tide of my occasional self-deprecation. I remain deeply appreciative of his sensible viewpoint on life and the PhD process.

Finally, my friend and fiancé Leonardo, who has patiently borne my intellectual rants and raves with great understanding. Without his unstinting encouragement and affection, this journey might have continued much longer. His belief in me has made all the difference.

Priscilla Leong
Priscilla M. Leong, 2012

Abstract

There is a prevailing view that the seafarer labour market provides an exemplar of a global labour market (GLM). The broader literatures suggest that labour markets when examined in detail are characteristically segmented in various ways. There is some evidence to indicate that the maritime industry may be somewhat similar. The purpose of this study was to investigate the extent to which the maritime labour market is segmented and thus, the extent to which it may be considered truly global.

Using the lens of perceived shortage of quality officers within the industry, this study examines whether the seafaring GLM can be understood to be a homogeneous space in which seafarers are freely employed on a global basis. A qualitative research methodology was utilised consisting of interviews with representatives from maritime associations and organisations, executives from shipping companies and seafarers. The study also analysed over 200 articles from the electronic archives of 'Lloyd's List', a maritime newspaper.

The analysis of the data revealed that jobs and seafarers are divided into market segments that can function relatively independently. Segments occur because seafarers and jobs do not fit smoothly via a common market mechanism, instead demand and supply processes separate jobs and workers into divisions. The segmentation of the labour market is marked by quality, trade sector, geography, and international regulations and industry requirements, and market striation occurs along both horizontal and vertical dimensions.

Table of Contents

Declaration	ii
Acknowledgements	iii
Abstract	v
Table of Contents	vi
List of Figures & Tables	xi
List of Abbreviations	xii
CHAPTER ONE	1
Introduction	1
1.1 Thesis	1
1.2 Aims and Research Questions	5
1.3 Thesis Structure	7
CHAPTER TWO	10
The Political Economy of the Maritime Industry	10
Introduction.....	10
2.1 Neoliberalism, Shipping and Maritime Labour	11
2.1.1 <i>An Uneven Rise and Composite Nature</i>	12
2.1.2 <i>The Relevance of the State</i>	13
2.1.3 <i>Key Events Facilitating ‘Roll-back’ Neoliberalism</i>	14
2.1.4 <i>Seaborne Trade and Transportation</i>	16
2.2 Maritime Transportation as a Mutual Function of Trade.....	19
2.3 Formation of a Global Labour Force	25
2.3.1 <i>What are FOCs?</i>	25
2.3.2 <i>Impact on the Labour Market</i>	27
2.3.3 <i>A Single Labour Market?</i>	29
2.4 Maritime Labour	31
2.4.1 <i>The Global Seafaring Labour Force</i>	31
2.4.2 <i>Multicultural Crews</i>	35
2.4.3 <i>International Regulatory Standards</i>	35
2.4.4 <i>Standardised Roles Onboard</i>	38
2.4.5 <i>Standardised Seafarer Certification</i>	39
Conclusion	41

CHAPTER THREE	43
The Labour Market Segmentation and ‘Shortages’	43
Introduction.....	43
3.1 Labour Markets and Segmentation	44
3.1.1 <i>General Labour Markets</i>	44
A Case for Market Segmentation.....	45
Variations of Market Segmentation	49
Flexible Labour and Market Segmentation.....	51
3.1.2 <i>The Seafaring Labour Market</i>	52
Current Segments in the Market	53
3.2 The ‘Shortage’ of Seafaring Labour	56
3.2.1 <i>Assessing the ‘Shortage’ of Labour</i>	56
3.2.2 <i>Defining ‘Shortage’: Quantity versus Quality</i>	58
Conclusion	59
CHAPTER FOUR.....	61
Researching Seafarer ‘Shortage’	61
Introduction.....	61
4.1 My Journey towards my Research Topic.....	61
4.2 Epistemology of the ‘Shortage’	64
4.3 Data Collection	66
4.3.1 <i>Data Sources</i>	66
4.3.2 <i>The Interview</i>	69
Interview Access.....	69
The Structure and Conduct of the Interviews	72
4.3.3 <i>Group Interviews</i>	75
4.3.4 <i>The Industry’s Literature</i>	77
4.3.5 <i>Reliability, Validity and Triangulation</i>	78
4.4 Data Analysis	79
4.4.1 <i>Documentary Analysis</i>	80
4.4.2 <i>Interviews</i>	81
4.4.3 <i>Reflexivity</i>	83
4.5 Ethical and Other Concerns	84
Summary	86
CHAPTER FIVE	88
A Preliminary Analysis of the Industry Literature	88
Introduction.....	88
5.1 Background to the Grey Literature Analysis	89
5.1.1 <i>An Overview</i>	89
5.1.2 <i>Justifying the Epistemology</i>	91
5.1.3 <i>Choosing the Archive for Analysis</i>	94

5.2	Characteristics and Scale of the ‘Shortage’	95
5.2.1	<i>Dual Dimensional</i>	96
5.2.2	<i>Crossover Shore Demand</i>	97
5.2.3	<i>Local versus Global Market</i>	98
5.3	Aggravating Circumstances	99
5.3.1	<i>STCW</i>	100
5.3.2	<i>Changes to the World Fleet</i>	102
5.3.3	<i>Poaching</i>	104
5.3.4	<i>The Exhaustion and the Saturation of Markets</i>	107
5.4	Subcategories of Seafaring Labour	108
5.5	Two Recurrent Threads.....	111
5.5.1	<i>Training</i>	111
(i)	Continuous	112
(ii)	Training to Enhance Seafarer Quantity.....	112
(iii)	Training to Enhance Seafarer Quality.....	113
(iv)	Upgrading	114
(v)	The Shift from the General to the Specific	115
(vi)	Costs and Responsibility	117
5.5.2	<i>Quality</i>	118
(i)	The Nature of Seafarer Quality	118
(ii)	Regulation and Quality	121
(iii)	Discrepancies in Quality	123
(iv)	Industry’s Approach to Quality	124
5.6	The Effect of the Economic Crisis	125
	Conclusion	127

CHAPTER SIX

Depictions of the Labour ‘Shortage’

	Introduction.....	129
6.1	Overview Of Participant Groups	129
6.2	The Pertinence of the ‘Shortage’	131
6.2.1	<i>Perception of its Existence</i>	131
6.2.2	<i>Dynamism and the Current Reprieve</i>	133
6.3	Conceptual Categorisations of the ‘Shortage’	136
6.3.1	<i>Quality and Competence</i>	137
(i)	The Basic Distinction between Quality and Competence.....	137
(ii)	A Movable Boundary.....	139
(iii)	Determinants of Quality	140
6.3.2	<i>Costs</i>	144
6.3.3	<i>Poaching</i>	146
(i)	Hierarchy.....	148
(ii)	Direction of Movement.....	149
6.3.4	<i>Crewing Timeline</i>	150
6.3.5	<i>Contractual Changes</i>	150
6.3.6	<i>Promotion</i>	153
6.3.7	<i>Lack of Choice</i>	155
6.3.8	<i>Compromise in Standards</i>	156

Conclusion	158
CHAPTER SEVEN.....	160
The Many Sides of the Seafarer ‘Shortage’: A Variegated Context	160
Introduction.....	160
7.1 Contextual Understanding of the ‘Shortage’	160
7.2 Sectors and Segments	163
7.2.1 <i>Different Sectors, Separate Demand</i>	163
7.2.2 <i>Profitability</i>	166
7.2.3 <i>Near-sea versus Deep-sea</i>	167
7.2.4 <i>The Segmentation of Clientele</i>	168
7.2.5 <i>Local Labour Markets and Nationality Considerations</i>	169
7.2.6 <i>Rank</i>	174
(i) ‘Shortage’ Across Ranks.....	175
(ii) ‘Shortage’ Within Ranks.....	176
7.3 Cross-Over Factors - Labour Demand and Occupational Mobility....	178
7.3.1 <i>Seafarer Mobility</i>	181
7.3.2 <i>Differences between Deck and Engineer Officers</i>	187
Conclusion	188
CHAPTER EIGHT	191
Ownership Matters	191
Introduction.....	191
8.1 Owners and Employers	191
8.1.1 <i>Sea-Shore Gap</i>	193
8.2 Company Ethos	195
8.3 Company Attributes	199
8.3.1 <i>Business Objective</i>	199
8.3.2 <i>Familial Tradition</i>	201
8.3.3 <i>Size Matters</i>	205
8.3.4 <i>‘Growing’ Companies</i>	208
8.4 The Ability to Attract and Retain.....	211
Conclusion	214
CHAPTER NINE	217
Concluding Discussion: Revisiting the Seafarer ‘Shortage’ within the Global Labour Market	217
Introduction.....	217
9.1 The ‘Shortage’ Thesis	218
9.2 The Global Seafaring Labour Market and its Segmentations	219
9.2.1 <i>Segmentation by Sector</i>	220

9.2.2	<i>Geopolitical Segmentation</i>	223
9.2.3	<i>Segmentation by Perceived Quality</i>	228
9.2.4	<i>The Interaction between Segments</i>	232
9.3	Labour Market Segmentation illuminated from the Perspective of the ‘Shortage’	233
9.4	Obstacles to Eradicating the ‘Shortage’	236
9.4.1	<i>Wage Strategies</i>	236
9.4.2	<i>Non-wage Strategies</i>	238
9.4.3	<i>Barriers to Entry, Re-entry and Mobility</i>	239
9.4.4	<i>Flexible Labour</i>	240
	Closing Remarks	242
 CHAPTER TEN		244
 Final Reflections		244
10.1	Significance in the Findings.....	245
10.1.1	<i>Implications about the Role of the Industry</i>	245
10.1.2	<i>Market Flexibility</i>	246
10.1.3	<i>The Construction of the Market</i>	247
10.2	Limitations and Mitigations	249
10.3	Further Research and Recommendations.....	250
10.4	A Final Word	251
 BIBLIOGRAPHY		253
 APPENDICES		282
Appendix One: Research Access Letter		282
Appendix Two: Participant Information Sheet		283
Appendix Three: Informed Consent Form		285
Appendix Four: Ethics Committee Approval Letter		286
Appendix Five: Interview Topic Guide (MAO)		287
Appendix Six: Interview Topic Guide (SC)		289
Appendix Seven: Interview Topic Guide (SF)		290

List of Figures

Figure 1	International Seaborne Trade for Selected Years (1970-2004)	17
Figure 2	International Seaborne Trade for Selected Years (1980-2009)	18
Figure 3	Growth of the World Fleet (1948-2008)	20
Figure 4	Growth of world chemical, liquefied gas, ro-ro and refrigerated fleets from 1981 to 2009	23
Figure 5	Growth of world oil, bulk, container and general cargo fleets from 1981 to 2009	24
Figure 6	Share of foreign-flagged deadweight tonnage, 1989-2007 ^a	28
Figure 7	Growth of global supply of seafaring officers	32
Figure 8	Growth of global demand of seafaring officers	33
Figure 9	STCW Certification Levels for Navigation Officers	39
Figure 10	STCW Certification Levels for Engineer Officers	40
Figure 11	Frequency of articles for ‘Shortage Seafarers’ from 1989 to 2008 for the three electronic media archives	90
Figure 12	Frequency of articles for ‘Shortage Maritime Manpower’ from 1989 to 2008 for two electronic media archives*	91
Figure 13	Cycle of Influence	93
Figure 14	Illustration of the ‘Moveable Boundary’ between Threshold and Differentiator Competencies	232

List of Tables

Table 1	Details of Seafaring Participants	130
---------	---	-----

List of Abbreviations

BIMCO :	Baltic and International Maritime Council
CoC :	Certificate of Competency
DWT :	Deadweight Tonnage
EC :	European Commission
EU :	European Union
FOC :	Flag of Convenience
GLM :	Global Labour Market (for Seafarers)
GRT :	Gross Registered Tonnage
GT :	Gross Tonnage
ICS :	International Chamber of Shipping
ILO :	International Labour Organisation
INTERTANKO :	International Association of Independent Tanker Owners
IMO :	International Maritime Organisation
ITF :	International Transport Workers Federation
ISF :	International Shipping Federation
ISM :	International Safety Management
ISMA :	International Ship Managers' Association
LNG :	Liquefied Natural Gas

LPG :	Liquefied Petroleum Gas
MAO :	Maritime Associations and Organisations
MARPOL :	Marine Pollution
OCIMF :	Oil Companies International Maritime Forum
OPITO :	Off-shore Petroleum Industry Training Organisation
OECD :	Organisation for Economic Co-operation and Development
OOW :	Officer of the Watch
OR :	Open Registers
SC :	Shipping Companies
SIGTTO :	Society of International Gas Tanker & Terminal Operators Ltd
SOLAS :	Safety of Life at Sea
STCW :	Standards of Training Certification and Watchkeeping
TMN :	Traditional Maritime Nations
TMSA :	Tanker Management Self Assessment guide
UNCLOS :	United Nations Convention on the Law of the Sea
UNCTAD :	United Nations Conference on Trade and Development

CHAPTER ONE

Introduction

1.1 Thesis

There is a large body of literature on globalisation and along with it a broad range of definitions concerning what globalisation is or does. For the purpose of this thesis, the view of global labour markets will be approached from the perspective of globalisation articulated by Held *et al.*, (1999), which reflect increased interconnectedness in political, economic and cultural issues as well as the creation of a 'shared social space'. In addition, this unitary view of the world is also conceived as a network society and together with this the concept of 'flows' (Castells, 1996; Stiglitz, 2002).

Hence, the main aspects of globalisation that concern this thesis are those that highlight

- (i) Greater Connectedness – stressing the growth of multiple links and connections between places and societies (Held, *et al.*, 1999; Beck, 2000). Further to this idea that globalisation links 'distant localities' is that in which individuals and events in one locale are shaped by those in another (Giddens, 1990). What follows from this interconnectedness is a seemingly single geographical system, often deemed also to be a borderless world (Ohmae, 1990) and a single global society (Albrow, 1996). One of the outcomes that can be observed in this apparent unified space is standardisation or homogenization (Appadurai, 1990b; Ritzer, 2004) – in which people, places, institutions and processes are changing to become more alike. This has implications for maritime labour whose training and employment are subject to international regulations and enforcement.

- (ii) Increased Flows – The increased movement of the physical (that is, goods through trade and people through migration) and the intangible (that includes capital via investment). The concept of flows is necessarily related to that of networks. Lash and Urry (1994) speak of networks that are formed by the various systems of transportation, communication systems, and even broadcasting systems. Similarly, Appadurai (1990b) identified five dimensions of flows involving people (ethnoscapes), technology (technoscapes), capital and investments (finanscapes), broadcast information (mediascapes) and politics and ideology (ideoscapes). Individuals, companies, institutions, and society will try to become connected to these networks forming links amongst each other. The increase in flows along netscapes is closely associated with neo-liberalism and the removal of political, economic and other regulatory barriers to aid trade and freedom of movement. The deregulation of markets and easing of restrictions encourages increase flow of capital, goods, services, knowledge and labour.

Globalisation is at the heart of an intrinsically connected shipping industry. The maritime industry may be seen as connected in the follow manner:

- a professional media that provides global coverage of shipping news,
- a continuous sequence of commercially organised international conferences and seminars,
- the increasingly significant regulatory roles of international organisations (such as the International Maritime Organisation and the International Labour Organisation),
- a network of Port State Control agencies (which work together in enforcing international regulations related to labour, safety, pollution and vessel condition),
- membership with international associations (such as, the International Ship Managers' Association, the International Association of Independent Tanker Owners, the International Transport Workers Federation and the International Shipping Federation)

- trade routes (Most vessels generally ply along dedicated trade routes between and/or within specific regions. More distinctively, vessels involved in the liner trade ply along regular shipping routes on a fixed schedule between ports. Global connectivity further increases when two or more of these companies form liner consortiums in a collaborative effort to provide transport services along these routes.)
- maritime hubs (States may want the advantage of achieving status as maritime hubs, which involves their claim that their ports are well-connected by ships to a worldwide network of ports as well as being able to offer a broad range of maritime services. Shipping companies which set up offices in these hubs can leverage on the connectivity and availability of services in many aspects of their business, one of which is the crewing of their vessels. They depend on the various ‘scapes’ to obtain, co-ordinate and deploy their crew – the labour of interest to this thesis.)

Situated in the midst of this connectivity is the maritime labour market where labour resources are globally available via a network of ship management companies with their subsidiaries and their transnational portfolios. Flows of opinion, knowledge, information and human resource strategies aid the linking of labour, companies and institutions. Labour has access to information about employers and employment opportunities as are employers knowledgeable about labour resources and practices prevalent in the industry. Under such conditions of an interconnected world, a single labour market for seafarers is presumed to exist and operate under ‘perfect market’ conditions – a situation in which both labour and employers are assumed to compete freely for jobs and workers. Companies are able to employ seafarers from anywhere in the world with few obstacles, and operate in a free-market environment seeking out the highest return on their investments. Labour, likewise, is relatively free to seek employment globally.

The resulting viewpoint has been a latent assumption that seafarers and employers in the global labour market (GLM) operate in a single space. It is with this in mind that the extent to which the seafaring GLM is truly global is questioned in this thesis. The creation of a global labour market for seafarers is rooted in the flagging of vessels to states which offer little or less regulations (this will be discussed as part of Chapter

Two). The reduction in restrictions has allowed for the employment of seafarers from countries other than those in which a vessel was flagged. This has facilitated the employment of seafarers beyond national fleets. Hence, the development of the GLM has brought about the increased employability for seafarers who are globally organised by a dynamic system of international crewing companies (Lane, 2000). The idea of the seafaring GLM as an unproblematic smooth space needs to be recognised as being shaped by a combination of certain accounts of globalisation and an emphasis on neo-liberal policies in the global labour market.

The global 'shortage' as an arena within which market segmentation becomes apparent

With regard to the labour situation in the seafarer GLM, this thesis will be concerned particularly with seafaring officers. This is because quantitative estimates (BIMCO Manpower Report, 2010; Drewry Manning Report, 2010) for the world supply and demand for seafarers have consistently shown them to be in a situation of shortfall for seafaring officers (unlike estimates for seafaring ratings which have consistently shown a surplus). The first BIMCO Report (1990) revealed an estimated 'shortage' of 50,000 officers; this figure has since fluctuated with each of the five-yearly updates. Nevertheless, it is widely acknowledged in the industry that some kind of labour limitation exists.

Using the issue of the officer shortage in the seafaring labour market, it may be argued that the prevailing predicament of the world's seafaring labour force had its beginnings in the unintended creation of a single global labour market (Spruyt, 1994; Lane, 2000). The deregulation of the seafarer labour market manifested itself as a double-edged sword – while it created an apparent single labour market where employers could recruit seafarers from anywhere in the world and seafarers could work for any company from any part of the world, it also led to a labour crisis that was made even more complex by segments in the market. A few significant events occurred simultaneously in the industry to contribute to the problem of the perceived crisis: Firstly, the need for seafarers is determined by the size and the makeup of the world merchant fleet. Thus, the growth of the world merchant fleet over the past three decades is pertinent. The expansion of the world fleet arose from new ships that

continued to be built despite recessions that occurred in the 1980s and late 2000s accompanied by a relatively low rate of vessel scrapping. The increase in the number of vessels meant that more labour was required. Secondly, the global recessions brought on the use of cost-cutting strategies via the flagging of vessels that enabled companies to employ relatively cheaper sources of labour. The surge in labour demand had implications for the supply of labour from these sources. Thirdly, the pattern of labour demand was altered via the pattern of substitution of the more expensive labour from traditional maritime nations (such as, the UK, France, Germany, Norway, Sweden, the Netherlands and Italy) with the relatively cheaper labour from developing and emerging nations (such as, India, China, Philippines, Russia and Poland).

The thesis uses the term ‘shortage’ to refer to the shipping industry’s experience of the crewing crisis, as exemplified by the totality of experiences of its practitioners. Their experiences of the various manifestations which accompany the lack of labour involve adjustments to strategies in managing human resources in order to alleviate the supposed ‘shortage’. By examining ambiguities and difficulties associated with the idea of a perceived labour ‘shortage’, it is possible to draw out complexities in the labour market. This thesis will argue that the sum total of the material practices of shipping companies in response to the supposed ‘shortage’ in the seafaring GLM will in effect reflect a segmented labour market.

Given this, the thesis seeks to achieve the following objectives:

- i) To elucidate the operation of the labour market for seafarers, by focusing on the alleged ‘shortage’ of seafaring officers. (that is, to examine the human resource management strategies that maritime companies use in the GLM).
- ii) To explore the structure of the GLM through the apparent seafaring labour crisis being experienced in the maritime industry.

1.2 Aims and Research Questions

The overall aim of the thesis is to examine the nature of the seafaring labour market through the investigation of the assumption of the seafarer labour market as a

homogenous space. The primary concern is to examine the extent to which the labour market can be considered 'global'. It takes issue with the common inclination in the industry to treat the labour market as a global, homogeneous entity. It questions whether this perception can be upheld and alludes to the segmentation of the seafarer labour market as the key to the persistence of the labour 'shortage'. My approach will be as follows: Firstly, I will apply the theory of labour market segmentation by examining the literature on globalisation, deregulation, and segmentation. Secondly, I will use the perspective of the perceived 'shortage' of seafaring officers as a tool to identify aspects of segmentation in the labour market – I will do this via the accounts from various participants of their experiences of the labour 'shortage'. From the perspective of these different actors, new light can be shed on how the labour market is socially and locally constructed.

In order to achieve its objectives, the study addresses a number of strategic research questions throughout the development of the thesis.

(i) How (if at all) is the labour market for seafaring officers segmented?

Here, I explore the structure of the labour market to establish if it can really be considered to be segmented. The aim is to determine the extent of the segmentation with an examination of how the various stakeholders in the maritime industry perceive and experience the seafaring 'shortage' crisis. This raises the question of how companies chose to respond to the crewing 'shortage'; in other words, the strategies which the companies employed helped to shape the labour market. An examination is also made of the ways in which seafaring labour is (in itself) differentiated and how this is reflected in the labour market. Coupled with this is a discussion on neoliberalism in Chapter Two concerning how companies chose a flagging-out strategy at a time of political deregulation; this was also a period when capital became more mobile so leading to alterations in the labour market.

(ii) How does the supply and demand of seafaring labour reflect segments in the labour market?

With this question, the thesis explores how the manifestation of the supposed seafarer 'shortage' exposes segmentation in the labour market. Exploring the aspects of the

supposed seafarer ‘shortage’ will help to illuminate divisions in the market. In so doing, we will see how segmentation in the labour market affects the mobility of seafaring labour and so accounts for the perpetuation of the perceived ‘shortage’.

(iii) What are the perceived limitations that prevent the harmonising of demand and supply of seafaring labour in the global market?

Here, the thesis examines how companies coped with the impact of the perceived crewing crisis. It considers the constraints in the labour market that limit the solutions to the labour ‘shortage’. The process of exploring the limitations within the global labour market helps to reveal the reasons for the seemingly persistent existence of the officer ‘shortage’.

In order to address these research questions, the thesis pursues a carefully developed research design which involves the collection and analysis of data by means of interviews and from grey industry literature. There is a description of this in Chapter Four with regard to research on seafarer ‘shortages’.

1.3 Thesis Structure

This thesis is composed of ten chapters. Chapter Two reviews the relevant literature on globalisation, neo-liberalism and trade, and establishes the background for a subsequent discussion about the formation of a single labour market for seafarers. The chapter also considers changes and developments in the shipping industry against the backdrop of economic and political globalisation. In particular, it examines developments in the world fleet which have set the stage for the demand for seafaring labour. The chapter goes on to discuss particular aspects of maritime labour, including the standardisation of training, certification and the roles onboard.

Chapter Three discusses the literature on general labour markets and market segmentation, demonstrating how labour markets tend to be more segmented than homogeneous. It additionally maps out the case for market segmentation, highlighting the dual market model and its variants and also specifically discusses what is known about the segmentation in the seafaring labour market. The last part of

the chapter considers the complexity of the seafarer 'shortage', highlighting its importance in understanding the nature of the labour market.

Chapter Four outlines the methods used in the study and justifies the methodology employed. It also defines the methodological paradigm of the study, presenting an outline of the data collecting methods with a discussion about the various data sources and the data analysis. Further to this, it provides a reflective account of how the research field was decided upon. Also included is a discussion of the limitations in the fieldwork process and ethical considerations. The data in the study is focused in two main countries: the UK and Singapore. Both countries are major international maritime centres with a comprehensive range of global maritime companies and auxiliary maritime services.

Chapter Five gives a preliminary analysis of the grey literature from the industry. The data was gathered from an online archive of an electronic news site in the maritime industry. After an explanation concerning the reasons for the choice of electronic news from selected online news archives, it provides an overview of the nature and scale of the labour 'shortage' as reflected in and by the media articles. There is also a discussion concerning aggravating circumstances that have contributed to the perceived intensity of the labour crisis, and suggestions for possible sub-categories by which the 'shortage' may be classified; here two significant themes emerged in the analysis – the training and quality of seafaring officers.

Chapters Six, Seven and Eight present an analysis of the empirical data that was gathered during the course of the fieldwork. A thorough analysis of the research data, provided the opportunity for a methodical examination of the labour 'shortage' situation in these three chapters and in the process a comprehensive representation of the labour market could be made. These chapters also serve to confirm and elaborate on the findings in the preliminary analysis. Chapter Six begins by discussing the depictions of the perceived labour 'shortage', and corroborates the significant findings about labour quality in Chapter Five. Chapter Seven then goes on to consider the various aspects of the labour 'shortage'. It scrutinises some apparent contradictions, so enhancing our understanding of the segmentation in the labour market. Chapter Eight highlights the issue of ownership as a contributor to market segmentation. In this way, the arguments in the three chapters provide an inclusive overview of the

labour market, from the standpoints of maritime companies, organisations and associations, and seafarers.

Chapter Nine brings together the main findings from the previous four chapters in the form of a discussion in order to address the research questions. The chapter then recapitulates the main thesis of the study, addressing each research question in turn. It looks at the ways in which the labour market may be segmented, and indicates how the situation of seafarer shortage can translate into labour market segmentations. Finally, it discusses the problems of addressing the labour shortages, thereby defining limitations that are in the labour market.

Lastly, the concluding chapter of the thesis reviews the argument of the thesis. The key findings of the study are highlighted, these consolidating the relationship between the perceived 'shortage' of seafaring officers and the segmentation of the labour market. There is also an account of the limitations in the research design and process. It concludes with suggestions for possible future research and particular recommendations.

CHAPTER TWO

The Political Economy of the Maritime Industry

Introduction

If globalisation is ‘the intensification of worldwide social relations which link distant localities’ (Giddens 1990, p.4), then shipping can be considered a vital part of this process that links nations, societies, empire, diasporas and colonialism through the efforts of national merchant fleets (Held *et al.*, 1999). The resulting product is an industry which can be thought of as part of a supply chain of manufacturers and consumers interlinked by ports, trading routes and shipping organisations (Roe, 2002). It will be argued that the use of open registers and multinational crews along with internal and external networks of shipping company offices and agencies – all regulated by international organisations and institutions – makes the industry a microcosm of globalisation through which key debates may be explored.

Prevailing views of globalisation suggest an interconnected world (Harvey, 1989; Giddens, 1999; Sachs, 2007) existing within a shared space and time (Giddens, 2002), where no state or entity can remain independent or isolated. What happens at the local level is influenced by global events, and vice-versa. Theoretically, space is important in the analysis of current globalisation debates; here growing importance has been attached to the concepts of ‘flows’ and ‘networks’ (Castells, 1996; Held, *et al.*, 1999) which cross over geographical boundaries. The emphasis on flows is related to the movement of material and immaterial entities transforming spatial organisation, so leading to a perceived shrinking of space, connected territories and blurred borders. Here, some of the processes that have facilitated the creation of a borderless world are associated with the mechanisms of neoliberalism, such as free-market forces, the freeing of national borders (where capital investments can easily move across national boundaries) and the breaking down of barriers. In the case of the maritime sector, the flexible conditions under which shipowners are able to crew their vessels facilitate a single and deregulated labour market for seafarers. The global inclusiveness and organisation of the seafarer labour market has resulted in it

frequently being portrayed as a single marketplace where shipping companies can operate unhindered in a flexible and free-flowing environment (Sampson and Schroeder, 2006). Thus, there has been a tendency to treat the global seafaring labour market as an undifferentiated arena where seafarers are employed and recruited. The thesis seeks to establish if this general perception of a homogeneous GLM (Global Labour Market) can be supported.

This chapter problematises the common understanding of a global maritime labour market in the industry. By identifying the empirical elements in an (ambiguous) situation, where claims of labour shortages have never lead to the critical consequence of ship lay-ups, the familiar becomes de-familiarised. This will allow the individuals involved to find solutions to transform the situation. This chapter presents a discussion of neoliberalism as it is articulated in political and economic institutions. Here, I also use the literature specifically related to shipping to demonstrate how increased trade and the Flag of Convenience (FOC) phenomenon came about. I shall further argue that the formation of the seafarer labour market as it now exists ensued from neoliberal deregulation policies and transformed the global demand for seafarers.

2.1 Neoliberalism, Shipping and Maritime Labour

This section presents a discussion of neoliberalism and links it to the globalisation of world trade and the role of shipping.

Neoliberalism makes a distinction between the economic and political perspectives of globalisation, both of which are deeply interconnected (Steger, 2003). However, it is in this struggle to dis-embed the economic from the political that neoliberalism inherits its awkward stance of anti-state libertarianism and authoritarian intervention. This is the irony of neoliberalism which emphasises the withdrawal of the state on the one hand (to enable market forces to work freely) and the rigid manner in which the state institutes these reforms on the other.

This section will therefore illustrate how the political advocates of neoliberalism have restructured the world, including the maritime industry. The reprise of liberalism has led to deregulation in trade, flexibility in capital movements and the privatisation of

ports and state shipping companies. Neoliberal policies have similarly affected the development of the maritime labour market.

2.1.1 An Uneven Rise and Composite Nature

The rise of neoliberalism has been recognised as having evolved along an uneven path (Tickell and Peck, 2003; Peck, 2004; Larner, 2005) beginning in the 1970s and continuing through to the 1990s. It underwent certain ‘mutations and transformations’ in three recognisable stages, so resulting in its diversity and ubiquity. Of particular interest to our discussion are the first two stages in the pre-1980s and in the 1980s and early 1990 periods, which correspond to what have been identified as the ‘proto’ and ‘roll-back’ neoliberalism stages (Tickell and Peck, 2003).

In its initial stages in the 1970s, proto-neoliberalism reflected the doctrines of free-market economics, social individualism and anti-Keynesian economics (Tickell and Peck, 2003). Following on the heels of the collapse of the Bretton Woods system in 1971 and closely after this by the 1973 Oil Crisis, the neoliberal agenda was helped along by a second Oil Crisis in 1979 and an ensuing global recession in the early 1980s. A doctrine of the conservative right, the basic driving factor of neo-liberalism at this time, was the push for a stronger free-market model and a rebuff to unmanageable labour protected by unions. Moreover, the irregular paths in which neoliberalism was introduced in the countries of both the global North and the global South - meant that it had no specific paradigm. Instead, each neoliberal transition was a unique geo-political and institutional hybrid (Peck, 2004).

Harvey (2005) identified several historical events in the 1980s which corresponded to the ‘roll-back’ phase of neo-liberalism identified by Tickell and Peck (2003). He termed these events ‘epicentres’ - through which the second stage of neo-liberalism unleashed its hegemonic influences on world structures. In the early 1980s, three political world leaders took office in their respective countries and implemented policies that would have significant bearings on the rest of the world: Deng Xiaoping liberalised the Chinese economy, Margaret Thatcher assumed office as Prime Minister of the UK and subsequently battled against inflation and the unions, and Ronald Reagan was elected President of the US and began using American economist’s, Paul

Volcker's monetary policies to implement his reforms for deregulation, financial liberalisation and curtailing union power.

At a general level, neoliberalism stressed individualism, promoted government support for private citizens over big institutions (although this aim is considered to be questionable), and bureaucratic deregulation (Tickell and Peck, 2003). Among a host of other reforms, there was the extensive privatisation of public services, the liberalisation of credit, and the relaxation of regulations across industrial sectors. The legal and policy structure was reorganised in such a way as to limit the power of labour unions and to curb their ability for strike action and to their bargaining powers.

Following its uneven implementation across countries, most neoliberal projects have been shown to be hybrids rather than conforming to any true form (Fourcade-Gourinchas and Babb, 2002; Peck, 2004). Their composite characteristics mean that there is no pure form of neoliberalism, although some key features by which they may be identified are those of deregulation, competitiveness and privatisation (Cox, 1996 in Robertson, 2007). These are seen as indicating the retreat of the state from the role of economic regulation, the hollowing of the welfare system, tax cuts, a lowering of national boundaries and privatisation (Fourcade-Gourinchas and Babb, 2002); the sum of these events are often packaged as an inevitable discourse where 'there is no alternative'.

2.1.2 The Relevance of the State

There have been many globalisation debates which deliberate about the relevance of the nation-state (Scholte, 2000; Thrift, 2000; Steger, 2003). In the conventional view, globalisation is represented by a greater interconnectedness in terms of scale, size, speed and flows, coupled with a moving trajectory of power away from the nation-state (Rhodes, 1994; Ohmae, 1996; Albrow, 1996; Hoffman, 1995). However, there are others who argue differently (Weiss, 1998). Neoliberalism calls for a 'rolling back' of the state while the state simultaneously becomes the means by which neoliberalism is put into practice. Thus, far from the prediction of the demise of the nation-state, the state still has vital political governing powers which are far from irrelevant (Weiss, 1998; Bailey and Winchester, 2012).

The neoliberal principal of withdrawing the state in order to advance the market does not indicate the demise of the nation-state nor its irrelevance. Rather, the state remains ironically both relevant and involved, as Peck (2004) argues: ‘There may be “hidden hands” at work here, but they are those of technocrats, not Adam Smith’s innate market forces’ (p399). However, the effectiveness of the state is called into question.

This is also the dilemma that Gekara (2009) uncovered behind the UK’s formulation of the tonnage tax which showed that the state was caught between supporting the interests of shipowners (for whom market forces are key in decisions about costs and operations) and those of seafarers (whose rights and interests the state has an obligation to protect). The threat of tonnage flight led the state to take a stance on the tonnage tax that rendered the maritime training obligations ineffective – although shipowners were committed to the training of British seafarers, they were under no obligation to employ them. Hence, the ineffective ‘hidden hands’ of the State that implemented the neoliberal agenda hampered the workings of the labour market by influencing the supply of British seafaring labour but not addressing the demand for them.

While it is argued that the state has remained relevant, it is believed to have a diminished role brought on by free market and neoliberal economics (Stiglitz, 2002). However, this diminished role is pertinent in particular to some states: It is clear that states have differing degrees of influence in the international arena and global conventions are established by states with unequal voting powers resulting in the dampened voices of smaller and poorer states. Stiglitz (2002) did not believe that the free market can operate ‘perfectly’ in a situation without equal access to information. He found no proof to support the neoliberal policies of the IMF and other international institutions, which he believed acted against the interests of poor developing nations.

2.1.3 Key Events Facilitating ‘Roll-back’ Neoliberalism

It is important for international trade to be seen under the banner of ‘free trade’ since it is assumed that each nation has a competitive advantage. The operation of ‘free trade’ or ‘trade liberalisation’ is an attempt to open up markets through lowering

trade barriers such as tariffs, and this allows goods and services from around the world to compete on a global level. Every country has something it can produce very well and therefore, trade can theoretically improve the circumstances of each nation. This is the ideal to which the neo-liberal agenda aspires toward in its attempts to lower protectionistic barriers. However, this is a romanticised version of free trade – as relatively inexpensive shipping costs allows goods and services to flow in such a way as to be competitively disadvantageous to some. For instance, demand for French wines can become eclipsed by cheaper and comparable ‘new world wines’ - as has demand for British coal been eclipsed by cheaper Chinese coal.

The movement towards free trade may be seen in the development of the World Trade Organisation (WTO) and its country participant rate (WTO, 2011). Global trade rules administered by GATT (the General Agreement on Tariffs and Trade) and, after 1995, by WTO focus on an adaptation of free trade. In the first five GATT rounds (before 1973), trade talks were mainly centred on the reduction or elimination of trade tariffs. After 1973, however, trade talks additionally sought to establish controls to prevent the proliferation of non-tariff barriers. Global trade has thus increased through the mechanisms of the institutions of GATT and WTO. However, trade liberalisation did not take place at the same time or at the same rate for all countries, as reflected by the uneven country participation rate¹. In addition, these liberal trade policies have had the tacit outcome of benefiting wealthier countries, which tend to have large companies looking to expand and sell their goods overseas.

In the early 1970s, developing countries were still more protectionist in their trade policies and tended to safeguard their sources of commercial income (Farthing and Brownrigg, 1997). Particular states were therefore still taking a Keynesian approach in their policies and assuming a greater role in trade policies. This contrasted with developed countries where state involvement in commercial affairs was already taking a more liberal approach. It was in the ‘roll-back’ phase of neoliberalism in the 1980s that there was a more widespread rejection of Keynesianism, with state policies liberalising trade and during which neoliberal proponents in the maritime industry

¹ The participation rate increased from just 13 countries in the first round of talks (1949) to 141 countries in the current round (2001). In the sixth round (1964), the number of participant countries was 62 (about one third of the countries in the world) and in the seventh round (1973), this number was 102 (about half of the world’s countries).

were confident that international maritime transport stood to gain from liberal policies (Schrier *et al.*, 1985). Subsequent outcomes of neoliberal policies included the expansion of international trade, port privatisation, and the privatisation of state-owned shipping companies. Here, what is of immediate concern for this thesis is the expansion of trade. The next section traces the growth of international trade from the 1970s through to recent years. This will link trade growth to the expansion of the world fleet and the increased need for maritime transportation.

2.1.4 Seaborne Trade and Transportation

In 1970 2,566 million tons of cargo was loaded onto ships worldwide (UNCTAD, 2007). UNCTAD's (United Nations Conference on Trade and Development) preliminary estimate of cargo loaded onto vessels worldwide was 4,008 million tons for 1990 and 8,168 million tons for 2008 (UNCTAD, 2010). Hence, international seaborne trade grew twice as quickly in the period 1990 to 2008, as compared with the former period of 1970 to 1990. We may infer from Figures 1 and 2 that the growth in world sea trade has, in general, risen steadily over a period of 40 years, with the exceptions of two periods where growth dipped; the mid-80s and late-2000s (Figure 2) both of which coincided with periods of global economic recession. These periods of decline in world trade have been accompanied by concurrent declines in shipping transport which was in decline in 1980s (Alderton *et al.*, 2004) and then from 2009 to the present.

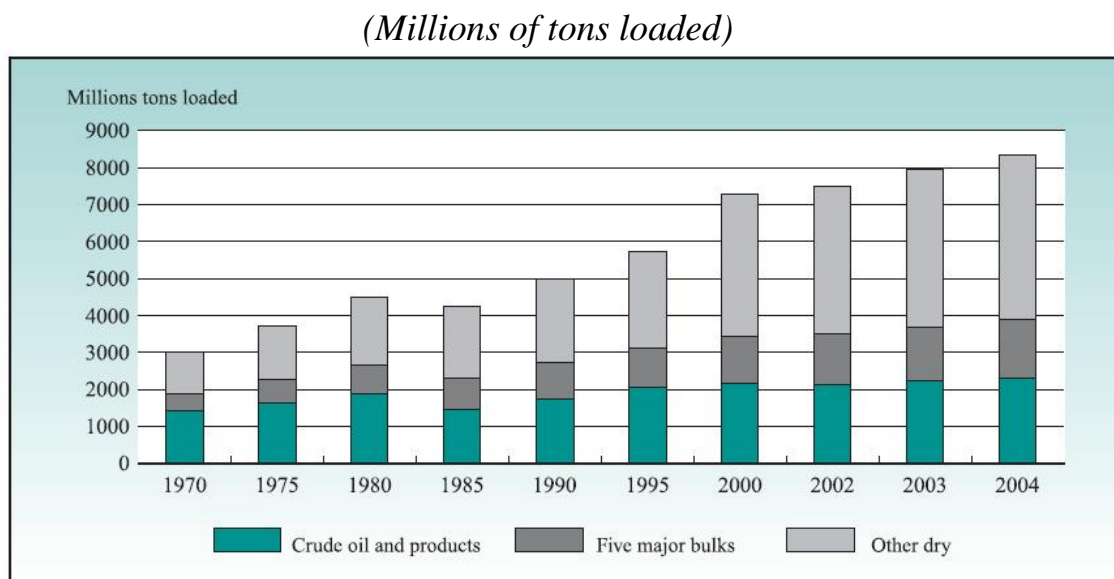
Figure 1 shows a summary in trade growth. Here, there were three main types of cargo in shipping: liquid bulk (the tanker trade), dry bulk, and non-bulk (general cargo). While liquid bulk consists of mainly oil and oil products, dry bulk traditionally consists of five major commodities, namely iron ore, coal, grain, bauxite and rock phosphate (sand and gravel). The main dry bulk seatriade more than doubled between 1970 (448 million tons) and 1990 (968 million tons). And again grew by the same rate between 1990 and 2008 (2079 million tons).

Non-bulk (for example, manufactured goods) may be transported as general cargo, break-bulk (non-container packaging) or neo-bulk (e.g. automobiles, paper and lumber), or containerised cargo. In 1970, 676 million tons of 'other dry cargo' was shipped. These figures were 1,285 million tons in 1990 and 3,399 million tons in

2008 (UNCTAD, 2010). Like that for total seaborne trade, the growth for ‘other dry cargo’ was more accelerated for the latter 1990-2008 period. Much of this growth may be attributed to the development of containerisation, which has enabled the transportation of a much wider range of commodities. The use of containers has enabled virtually anything that can be packed in a container can be easily transported, including bulk items like rice, hazardous items like fireworks, and all sorts of non-bulk consumer products.

The liquid bulk trade includes crude oil, petroleum products, gas, chemical and edible liquid cargoes (e.g. vegetable oil). The seaborne oil trade grew by only 22% between 1970 (1,442 million tons) and 1990 (1,755 million tons), while for the following period between 1990 to 2008 (2,732 million tons), it grew by 56%. Within the tanker trade, the growth of the LNG (Liquefied Natural Gas) sector has been especially noticeable. The world LNG demand had been forecast to grow at an annual rate of 5.6% between 2007 and 2030 (Ocean Shipping Consultants Ltd, 2008). And in 2010, Royal Dutch Shell Plc predicted that world demand for LNG would double over the next ten years (Tuttle and Rouaba, 2010). Such forecasts necessitate our expectation of an expansion in the world LNG fleet.

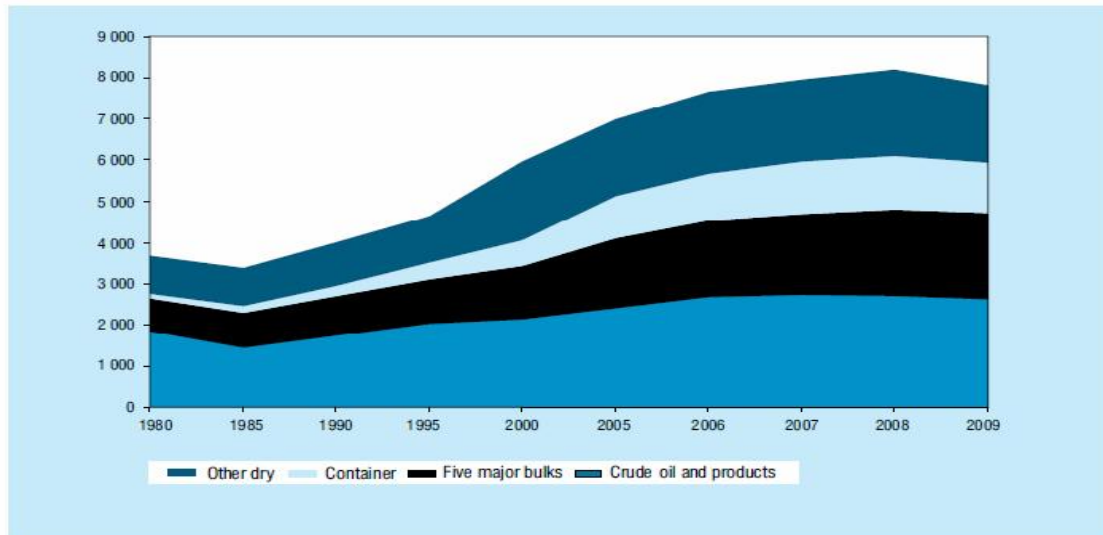
Figure 1 International Seaborne Trade for Selected Years (1970-2004)



Source: UNCTAD, Review of Maritime Transport, various issues

Figure 2 International Seaborne Trade for Selected Years (1980-2009)

(Millions of tons loaded)



Source: UNCTAD, Review of Maritime Transport, various issues

Shipping is an efficient means of transport and the maritime industry today carries about 80% of the world's international trade by volume (UNCTAD, 2010). The opening up of barriers during trade liberalisation resulted in an expansion in world trade, and especially in seaborne trade since the majority of world trade is ferried via the sea. The corresponding demand for maritime transportation meant that freight rates also grew very attractive and the inevitable response of the industry to this was to buy and/or order new ships.

International trade depends on the employment of maritime transport to move goods, services and raw materials, and vice-versa. This mutual dependence therefore involves an interconnected myriad of companies. Such a representation of the maritime industry (with its numerous companies, some with offices located worldwide and each offering numerous types of services to each other) is reminiscent of the concept of a network of global value chain units (Gereffi *et al.*, 2005); these exist within a conglomerate of companies which span across considerable physical space. The distinctive trait of the shipping industry therefore rests on its connections

and movement between ports, countries and regions. Hence, shipping operations have become intricate and intangible networks within the global commodity chain.

In the next, section, I will describe the expansion of the world fleet and show how the growth of the global fleet is linked to the world trade situation. Both these circumstances (world trade and the world fleet) determine the demand for seafaring labour and thereby establish what is necessary to operate the vessels in the fleet.

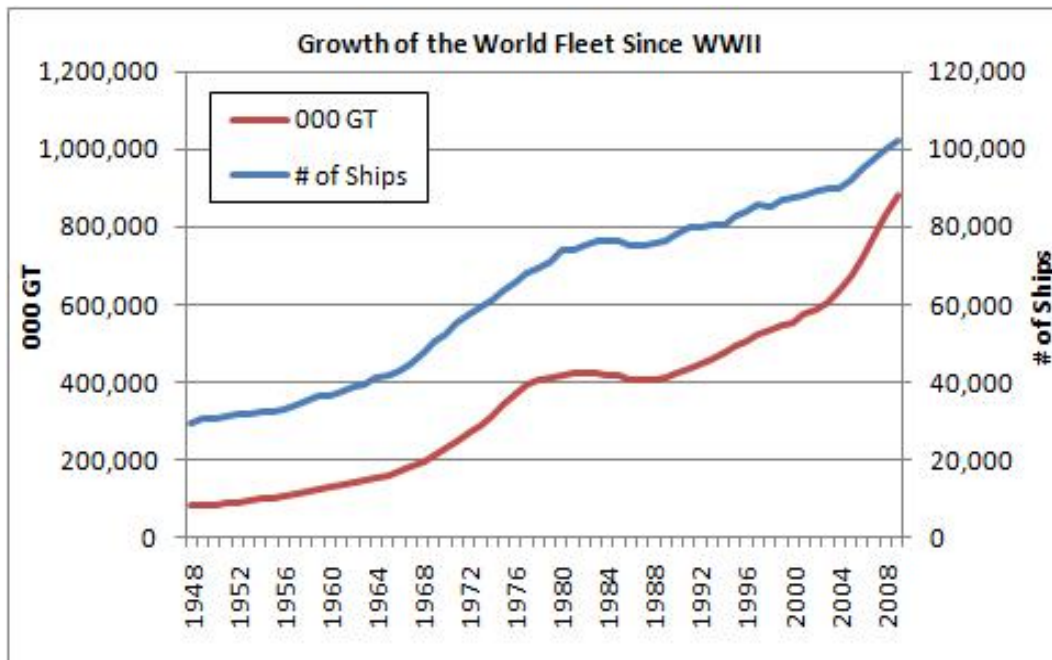
2.2 Maritime Transportation as a Mutual Function of Trade

This section will begin by illustrating the growth in the world commercial fleet, which has implications for the labour needed to operate it. The figure for world commercial fleet² was chosen as a point for comparison mainly because earlier estimates by Lloyd's Register Fairplay did not have a breakdown reflecting the proportion of merchant vessels. In 1970, the world fleet consisted of 52,444 vessels, constituting 227,490,000 GT (IHS Fairplay, 2010). Since then, the total world tonnage has grown steadily to 882,635,000 GT, this consisting of 102,194 vessels (IHS Fairplay, 2009). However, this expansion of the world fleet has not always grown at a constant rate. Figure 3 clearly shows that between the late 1960s and the late 1970s, there was an upsurge in the size of the world fleet in terms of both GT and number of vessels.

A core network of events which began in the early 1970s led to a major economic downturn in the early 1980s when newly completed ships were being delivered amid rising oil prices and falling freight rates. At this point, the industry suffered from surplus tonnage (excess cargo-carrying capacity) as international trade declined. Following the global economic downturn in the 1980s, the world fleet numbers dipped slightly in the middle of the decade before recovering towards the end of the decade and growing steadily again (See Figure 3). This slight decline in the 1980s did not prevent surplus shipping tonnage from being built up since the rate of vessel demolition was unable to offset the additional tonnage from new ship building (Alderton *et al.*, 2004).

² Commercial vessels include merchant ships (cargo-carrying vessels), passenger vessels and special purpose vessels (such as tugs, pilot boats, cable ships, research vessels, off-shore vessels, survey vessels and ice-breakers).

Figure 3 Growth of the World Fleet (1948-2008)



Source: Lloyd's Register of Shipping
 (<http://shipbuildinghistory.com/today/statistics/wldfltgrowth.htm>)

Similarly, the 2008 global recession also reflected similar contradictory increases in the world's tonnage. Despite the economic downturn following the 2008 credit crisis, most orders (placed before the decline) for new builds were still expected to be completed and delivered. In 2010, the world merchant fleet expanded by 7% (UNCTAD³, 2010) over the previous year to reach 840,600,000 GT. The world merchant fleet⁴ was still expected to grow by as much as 14.6% by the year 2013 (Drewry Manning Report, 2009).

³ UNCTAD compiles its statistics using the world fleet figures from Lloyd's Register Fairplay (later known as IHS Fairplay). However, its figures differ from the published Lloyd's figures since the latter include non-merchant vessels.

⁴ The world's seaborne trade is transported by a global fleet of about 53,948 merchant⁴ ships of more than 100 GT (Gross Tonnage). This represents over half of the number of vessels in the world commercial fleet which consists of a wider variety of vessels. This thesis' exploration of the seafaring labour market is mainly associated with the cargo-carrying fleet (that is, merchant vessels). However, it is noted that the seafaring labour market also includes labour for the wider world commercial fleet.

The cargo carrying fleet (or merchant fleet) is made up of vessels from four main sectors. These may be identified as the tanker, dry bulk, container and general cargo sectors whose vessels constitute 95.24% (in terms of tonnage) of the world fleet (IHS Fairplay, 2009). In terms of the number of vessels, the fleet quantity from these sectors had 53,948 vessels, this being about half the global commercial fleet of 102,194 vessels in 2009.

Over the years, the merchant world fleet has generally shown positive growth in most sectors except in refrigerated vessels (see Figure 4) and general cargo (see Figure 5) which have seen a decline (UNCTAD, 2010; IHS Fairplay 2009). However, the chemical and gas fleets (see Figure 4) have seen a relatively rapid growth, especially in the last six years, despite constituting only a small part of the merchant fleet, namely 6.2% and 3.7% in dwt (deadweight tonnage), respectively. However, the most substantial expansion has been in the container sector (see Figure 5). In 1980, container vessels accounted for only 1.6% (in dwt) of the global merchant fleet, but by 2010, this increased to 13.2% (UNCTAD, 2010).

The growth in container ships can largely be attributed to the increasing international division of labour and the growing liberalisation of world trade. The rising participation of developing and emerging countries, especially the 'BRICs' countries, in the manufacturing and exporting of commodities may be linked to an increasing need for container transportation. However, two further contributory factors in container growth are the increasing variety of goods suitable for shipping via containers and advances in container technology which enable increasing amounts of goods to be transported via containers.

The dry bulk and oil tanker sectors have always dominated the world fleet. Together they make up more than two-thirds of the world merchant fleet (in dwt) (UNCTAD, 2010); dry bulk carriers used to be the largest category of ships but after 2004, oil tankers superseded them, taking the top spot.

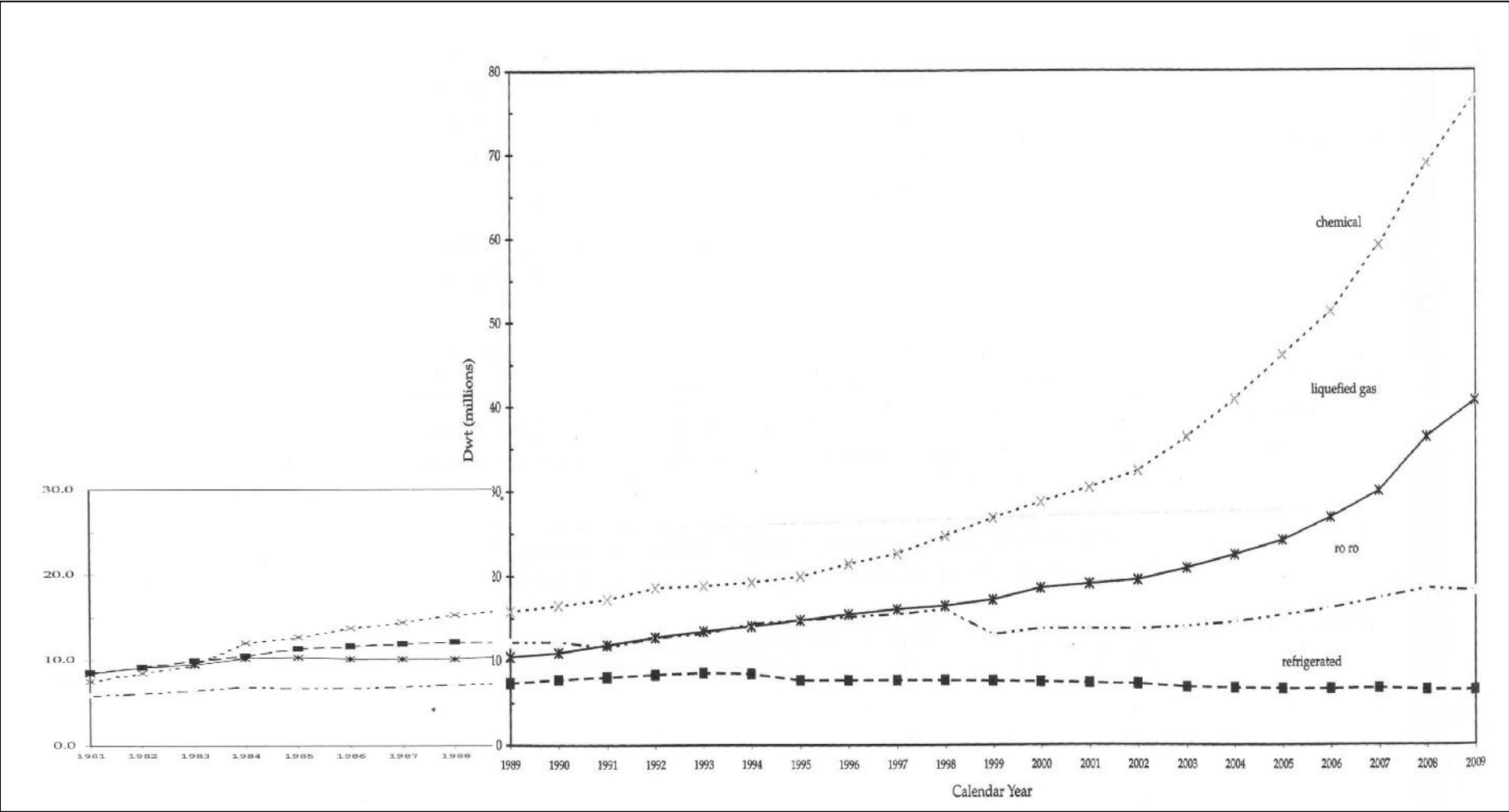
As trade volumes grew, not only did shipowners buy and order more new ships, they were also able to utilise economies of scale by ordering larger ships. Tanker vessels grew significantly since world war two, from smaller general purpose tankers (ranging between 10,000 to 25,000 dwt) to ultra large crude carriers (ranging between

320,000 to 550,000 dwt) (Evangelista, 2002). Container ships have also grown considerably in size – the first container ships in the 1960s ferried around 200 TEUs (Twenty-foot equivalent units), in the 1980s, they reached about 4,000 TEUs and today the largest container ships can carry over 15,000 TEUs (American Bureau of Shipping, 2006). There are plans to further increase the size of container ships since modern container ships can transport goods at a fraction of the cost of road transport. Operators of larger ships can keep costs down by taking advantage of economies of scale, in terms of size, fuel consumption and crewing.

The expansion in the world fleet has meant a subsequent increase in the supply of maritime transportation (that is shipping tonnage) and a lowering of freight rates. This lowered the cost of shipping, as it became cheaper for manufacturers to ship their goods around the world rather than to relocate their factories closer to consumer markets (O’Sullivan and Sheffrin, 2003). The production of goods could be located in countries with low labour costs and often far away from consumer countries since the comparative cost of transporting manufactured goods was negligible. This scenario encouraged further development and expansion in international trade.

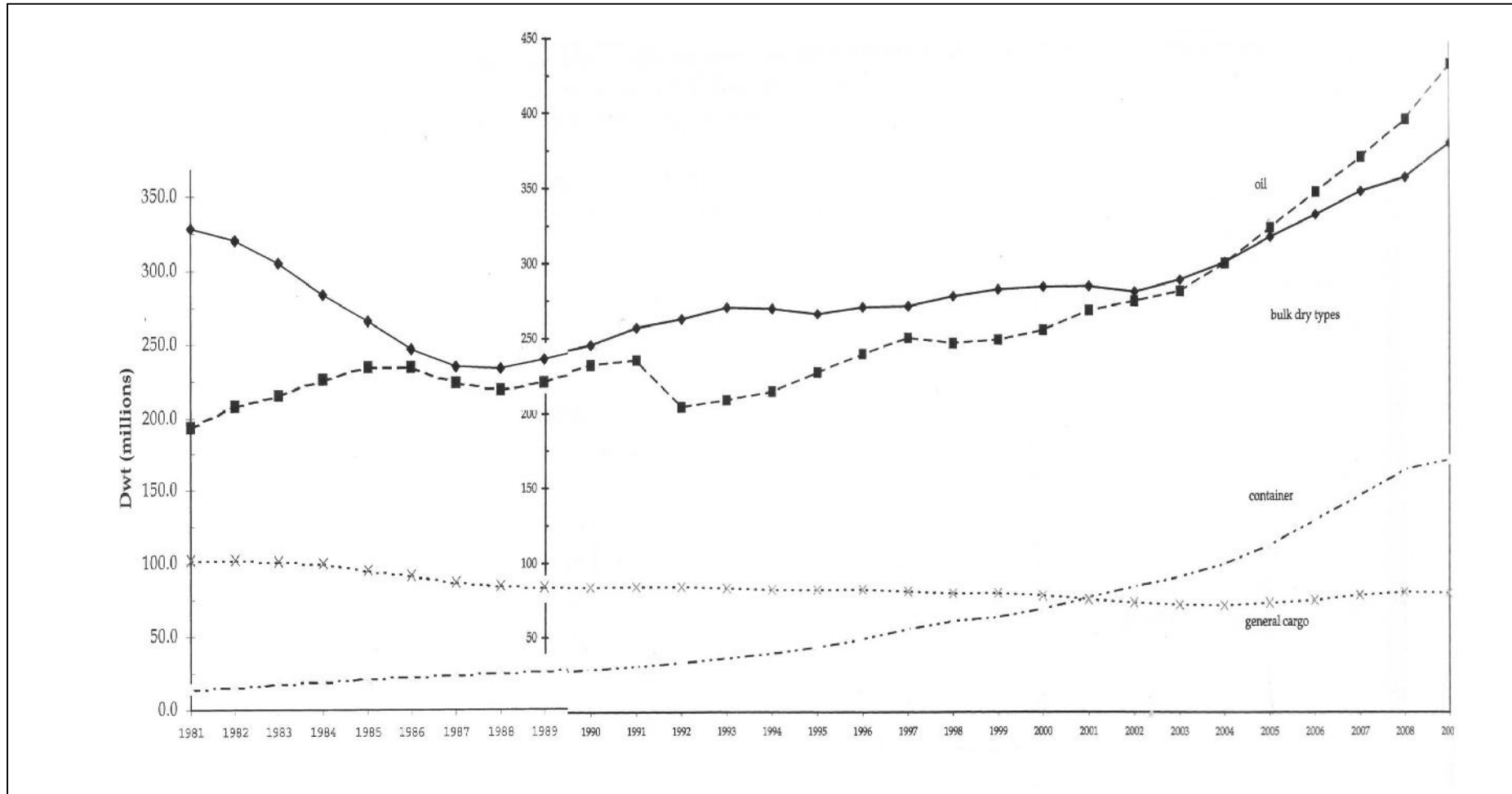
The next section discusses how a single global labour market grew out of economic and political situations, particularly in the 1970s and 1980s.

Figure 4 Growth of world chemical, liquefied gas, ro-ro and refrigerated fleets from 1981 to 2009



Source: UNCTAD, Review of Maritime Transport, 2010

Figure 5 Growth of world oil, bulk, container and general cargo fleets from 1981 to 2009



Source: UNCTAD, Review of Maritime Transport, 2010

2.3 Formation of a Global Labour Force

2.3.1 What are FOCs?

Essentially, the FOC and ‘open register’ are similar systems in that they refer to flag registries of states that will accept the registration of ships owned by nationals from other states with practically no restrictions (International Maritime Associates 1979, cited in Alderton and Winchester, 2002a, p.36). Both these terms have been referred to interchangeably but not synonymously (Alderton and Winchester, 2002b; Chin, 2008). They are differentiated in terms of the moral connotation of their meanings – FOCs being strongly defined by the negativity which the ITF wanted to emphasise. Many ‘open registers’ have emerged over the years, often from countries with neither coastlines nor traditional maritime fleets. As such, ‘open registers’ have also been defined as those that ‘have been set up with the specific aim of offering shipowners a registration service, often as a means of earning revenue for the flag State’ (Stopford, 2009). Some of these new registers have been classified by the ITF as FOCs. Understandably, the list of flag states which the ITF considers as FOCs has undergone (and is still undergoing) changes as part of the ITF’s continuing campaign.

At this point, it is prudent to take a brief look at the use of ‘flags of convenience’ (FOCs) which rose in popularity in the 1970s. All ships are required under the UN’s Convention on the Law of the Sea to be identified with a country of registration (UNCLOS III, 1982, Article 91). The vessel will then adopt the nationality of the country of registry and be answerable to its regulatory control on matters such as those of safety, pollution, and crewing. Embedded⁵ maritime nations have historically instituted some restrictions on labour, such as nationality, pay scales and employment conditions. In contrast, FOCs have fewer constraints. The term ‘flag of convenience’ (FOC) was first used in the early 1950s shortly after the ITF (International Transport Workers’ Federation) launched its campaign against flag-states it considered as providing an environment of convenience with regard to registration fees, taxes, vessel standards and employment of crew. The FOC system has been defined as the industry

⁵ Alderton *et al.* (2004) have defined ‘embedded maritime nations’ as ‘those Flag States that belong to the regulatory efficient group’ who have ‘for some considerable time . . . built ships, owned ships, trained and provided seafarers, financed and insured ships, and registered ships’. These have also been referred to as ‘traditional maritime nations’, although there is no explicitly agreed definition for either.

practice of registering a vessel in a different country from where it is owned: ‘Where beneficial ownership and control of a vessel is found to lie elsewhere than in the country of the flag the vessel is flying, the vessel is considered as sailing under a flag of convenience.’ (International Transport Workers’ Federation, 2010)

In its on-going campaign, the ITF contends that ‘FOCs provide a means of avoiding labour regulation in the country of ownership, and become a vehicle for paying low wages and forcing long hours of work and unsafe working conditions.’ (International Transport Workers’ Federation, 2010)

This was the basis underlying the second⁶ objective of its FOC campaign, which was to rally industry support to fight for better pay and conditions of seafarers onboard FOC ships. The negative connotations and publicity arising from this objective has deliberately associated FOCs with substandard ships which are characterised by lax operational, safety and recruitment standards and which have been brought about by minimised regulatory standards. Such lamentable standards tended to be characteristic only of newer flag states which had an almost complete lack of regulation (Winchester and Alderton, 2003). However, since the 1970s, the term FOC has moved away from this negative meaning as there has been international pressure for Flag States to improve their implementation of standards. This is done via port state control, which is the inspection of foreign ships to verify that the vessel, its equipment and crew all comply with international regulations set by the IMO. These port state control measures are also administered via collective agreements between groups of maritime authorities, such as the Paris and Tokyo MOUs⁷.

⁶ The first objective was to try to eliminate the FOC system by trying to institute a genuine link between the flag of registration and the country where the vessel is beneficially owned.

⁷ The Paris and Tokyo MOUs (Memorandums of Understanding) are two agreements on port state control for the inspection of foreign ships in national ports. The Paris MOU covers an agreement between 26 European countries and Canada, while the Tokyo MOU covers 18 countries in the Asia-Pacific region. The purpose of MOUs is to harmonise a system of ship inspections in order to check for signs of ‘substandard ships’, and this includes verifying the competence of the master and officers onboard, confirming the conditions of the ship and its equipment in accordance with international conventions, and making sure that the ship is manned and operated in compliance with relevant international laws.

2.3.2 Impact on the Labour Market

During the global recession of the 1980s, the competition for freight business not only held dire consequences for owners and managers, but for labour as well. Although the size of the world fleet shrank during this time, shipowners were still plagued with surplus carrying capacity because the rate of ship scrapping was partially being off-set by the new builds being delivered. This situation followed on the heels of a rapid rise in the price of oil during the 1970s Oil Crisis, which increased the operational costs of maritime transportation. Consequently, the response of shipping companies was to find a way to lower their operational costs and one of the strategies they employed was to try to cut labour costs. They achieved this priority by re-registering their ships with open registers (Couper, 1999; Alderton *et al.*, 2004).

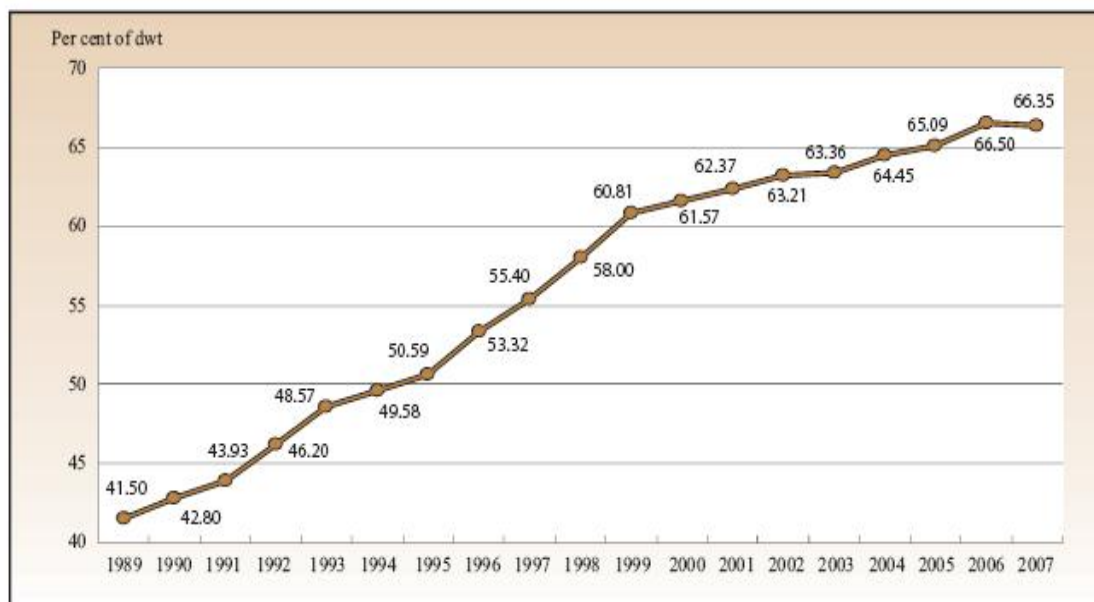
This was also a period that corresponded with the ‘roll-back’ neoliberalism of the Thatcher and Reagan administrations. The unprecedented mobility of capital (through the easy processing of paperwork and minimal registration fees) enabled owners to flag their vessels to foreign registers. Between the mid-1970s and mid-1990s, the use of foreign flags began to gain widespread popularity⁸. According to UNCTAD (2010), 68.4 per cent of the world’s tonnage is foreign-flagged (Figure 6). Moreover, the use of foreign flags correlates highly with companies based in countries with high wage levels (UNCTAD, 2010) and these are also countries where the ownership of a greater proportion of the world fleet lies. Hence, it was more likely that owners in developed (rather than developing) countries would decide to ‘flag out’, since it was an economic decision which allowed owners (among other considerations) to circumvent the wage and crewing regulations of the more stringent national registers. This increased flexibility enabled them to lower their labour costs by crewing their vessels with seafarers from cheaper labour supplying countries and costs were further reduced by lowering the living, working and safety standards onboard. Hence, by using cost as a primary decision-making strategy rather than operational efficiency or safety, these regulatory flag havens gave the industry actors the flexibility to utilise the lowest

⁸ It should be noted that re-flagging of vessels to foreign flags does not necessarily entail the use of FOCs. (Also, the term FOC is not necessarily equated with the term ‘open register’).

possible crewing guidelines⁹ (which specify the minimum number of crew required, their qualifications, nationality and experience vis-à-vis the vessel type and size).

As regards the flag registration of the world fleet, Figure 6 shows the growth in the proportion of world fleet that is not registered in the owners' countries of domicile (foreign-flagged). In 1989, 41.5% (dwt) of the world fleet was registered with a foreign flag. Today, 68.4% (dwt) of global vessels are considered foreign-flagged (UNCTAD, 2010). This percentage is higher when a comparison is made between the fleets of developed countries and those of developing countries – 75% (dwt) of the merchant fleet in developed countries is foreign flagged, while this figure is 57% (dwt) for developing countries. In terms of proportion of vessel ownership, UNCTAD showed that developed countries owned 65.9% (dwt) of the world fleet, compared to 31.2% (dwt) for developing countries, while transition economies accounted for 2.9% (dwt) ownership of the world (UNCTAD, 2007 – *similar figures are unavailable in the 2010 report*).

Figure 6 Share of foreign-flagged deadweight tonnage, 1989-2007^a



Source: UNCTAD, *Review of Maritime Transport, 2007*
^a Cargo-carrying vessels of 1,000 GT and above.

⁹ Manning guidelines are usually issued by the maritime authority of the state in which the vessel is registered, which in turn bases them on the principles and guidelines of the International Maritime Organisation (IMO).

2.3.3 A Single Labour Market?

It is argued that a deregulated global labour market arose from the FOC system (Alderton and Winchester, 2002a). In keeping with the process of neoliberalism, not all FOC states are equally deregulated – there are variations among Flag States that are considered FOCs. In general, the absence of formal regulations, a lack of expertise and a disinclination by the state to take responsibility can be found to be greater among those FOCs that are new or less established registers.

It has also been argued (Lane, 2000) that since the mid-1970s and following the popular decision by shipping companies to flag their vessels with FOCs a single global market for seafarers has been formed. The FOC phenomenon¹⁰ allowed shipowners and operators to source their crews internationally, where previously they had faced restrictions in the nationality of the crews that could operate their vessels. As a result, there was a trend towards the substitution of national crew (usually from ‘traditional’ maritime nations) with ‘crews of convenience’ who were recruited from the less developed countries of the world. These tended to be less well-paid and were subject to substandard¹¹ working conditions, a corollary of poorer union memberships and recognition (Alderton and Winchester, 2002a; Alderton *et al.*, 2004). This crew substitution gave rise to the main characteristic of FOC crews, namely, the lack of correlation between the flag of the vessel and the nationality of its crew. The flagging out phenomenon meant that owners were no longer confined to the established and regulated labour markets where their businesses were located but instead were able to tap potential sources of cheaper seafaring labour throughout the world. Hence, the global seafarers market may be thought of as arising from the phenomena of re-flagging and crew substitution.

¹⁰ FOCs removed restrictions on the nationality of crew that may be employed by their flag. The major reason for crew substitution lay in the fact that flagging out enabled ship operators to exist apart from national collective agreements which required all seafarers (officers and ratings) of particular grades to be paid the same rate. Thus, the financial incentive for practising crew substitution was because FOCs allowed discrepancies in wage rates.

¹¹ The concept of ‘substandard ships’ is defined in the OECD’s (2001) study on *The Costs To Users Of Substandard Shipping* as ‘A vessel that, through its physical condition, its operation or the activities of its crew fails to meet basic standards of seaworthiness and thereby poses a threat to life and/or the Environment.’ (p.7). It is not merely confined to the physical condition of a vessel but also refers to its operation, which includes deficiencies in its manning and shore management. Thus, the converse condition of a quality ship is one that is physically sound, well-maintained, compliant with international regulations and operated by qualified personnel who are properly trained, adequately paid and well-treated.

Ship management has become a vital part of the labour market system. Deregulation in the labour market brought about a development in the industry in the form of third party managers. These management companies developed simultaneously out of three main events:

- (i) Ship owning companies, which had spare management capacity during the economic downturn used this capacity to manage the vessels of other owners
- (ii) At a time when many owners were defaulting on mortgages, banks and financial institutions began to repossess ships; many of these repossessed vessels ended up under third party management.
- (iii) During the 1980s and 1990s, a large number of ‘asset speculators’ emerged who saw profit-making opportunities in the purchase and resale of ships. These purchases were short-term investments, managed by third party managers for a fee and run for a few voyages before being resold (Mitroussi, 2003).

While the ship management company is involved in a broad range of activities (covering areas in technical management, crew management and commercial management), a more specialised third party business has arisen of late – the crewing agency, which engages mainly in the business of crew management. The crewing activities of shipping companies involves the complex use of resources where companies may utilise a mix of their own in-house crewing operations and/or a network of preferred management and/or crewing agencies (ICONS, 2000). The complexity grows as management companies may also have or use a network of crewing offices.

As already seen, the majority (more than two-thirds in dwt) of the world fleet is flagged to open registers. It has been estimated that third party managers manage about a third of the vessels in the world fleet - it is conceivable that many of these vessels may be flagged to open registers. Hence, this gives a sense of the significance and influence of the role played by ship management companies in the maritime industry. The growth of ship management companies (and more recently, crewing agencies) has established a category of transnational employers who are now the largest group of seafarer employers in the world (ILO, 2001). Moreover, the expertise of these ship managers and crewing agents lies in their familiarity with and knowledge about the characteristics

of the various national crews. This ranges from their knowledge of rates of pay to knowing about which cultures work well together, what vessel experiences officers should possess, and the political circumstances that may affect the seafarer during his employment. With such knowledge, it is claimed that they are able to make rational decisions and to obtain the optimum combination of crew nationalities (Spruyt, 1994).

The next section will give a description of labour in the shipping industry. It will start with an overview of the current global seafaring labour force and consider the compositions of the crews onboard vessels. It will then describe two international organisations responsible for the regulation of maritime labour before looking at the standardisation of training, certification and the onboard roles of seafarers.

2.4 Maritime Labour

2.4.1 The Global Seafaring Labour Force

The maritime labour market has been identified as a single global market for over a million seafarers (BIMCO/ISF 1990-2010; Lane, 1996; ILO, 2001; Obando-Rojas *et al.*, 2004; Wu & Sampson, 2005). The current global supply of seafarers according to estimates by the BIMCO/ISF (Baltic and International Maritime Council/ International Shipping Federation) Manpower Report stands at 1.37 million seafarers, including both ratings and officers but excluding catering and hotel staff from the cruise ships.

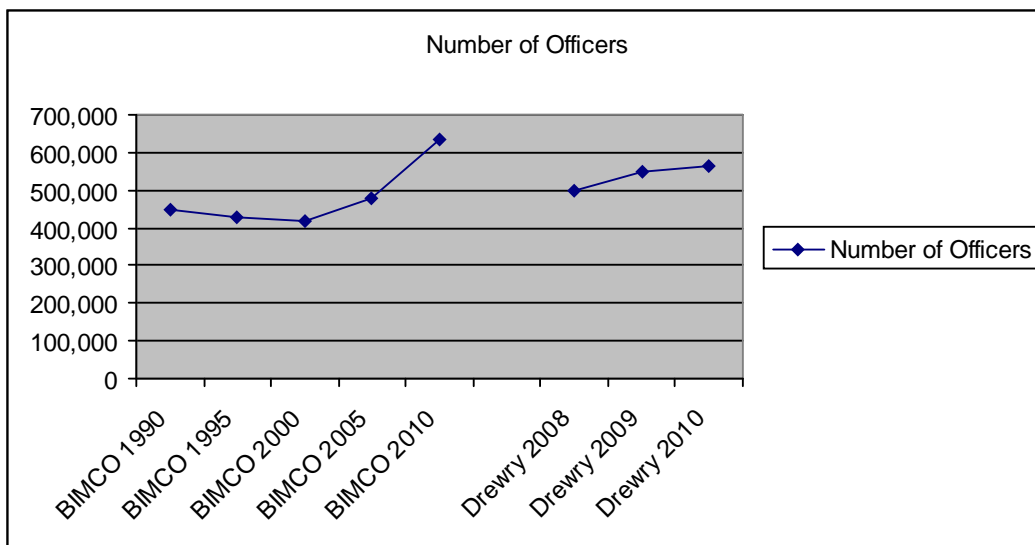
Estimates of the supply of global seafaring officers by the BIMCO/ISF¹² Manpower Reports (1990-2010) and by the PAL/Drewry¹³ (Precious Associates Limited/ Drewry Consultants, 2008-2010) Crewing Reports have risen rapidly, especially since 2000 (see Figure 7). For validity purposes, it is possible to juxtapose estimates from both surveys here; while they do not tally, it is possible to see that the general trend is similar (that is they show an increase in the estimated supply of seafaring officers)

¹² The Baltic and International Maritime Council (BIMCO) and the International Shipping Federation (ISF) jointly commissioned a manpower survey, which was carried out by the Institute for Employment Research, Warwick University. The report provides an estimate of the current and projected supply and demand of seafarers globally. It was first published in 1990 and is updated every five years, with each update building on the data of the surveys conducted over the previous years. It is the most widely cited maritime labour survey in the industry.

¹³ The Drewry/PAL Manning Report was first published in 2007. It is an annual publication by Drewry Shipping Consultants in conjunction with Precious Associates Limited, which is an HR and personnel management consultancy firm with specialist knowledge of the shipping industry.

although the Drewry estimates tend to be more conservative. Hence, despite methodological inconsistencies in collating data for such estimates, both sets of figures indicate an increasing supply of seafaring officers. Figure 8 shows that global demand for seafaring officers has risen in a similar fashion and over a period of time for both the BIMCO and Drewry figures, with demand expanding especially sharply in the last decade. We may infer (from both Figures 7 and 8) that the global supply of officers grew in tandem with its demand, although it is debatable if this was adequate.

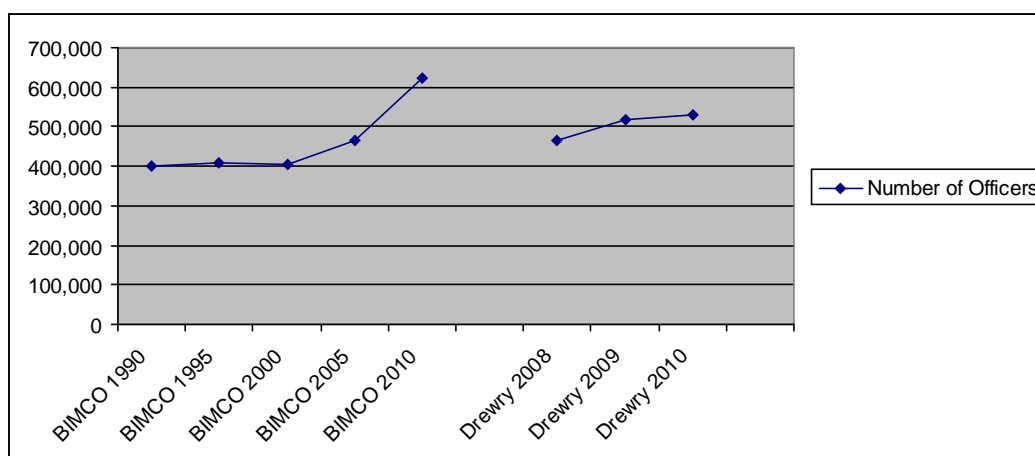
Figure 7 Growth of global demand for seafaring officers



Source: BIMCO/ISF Manpower Reports and PAL/Drewry Manning Reports

Report/ Year	Number of Officers	Report/ Year	Number of Officers
BIMCO 1990	450,000	Drewry 2008	498,000
BIMCO 1995	427,000	Drewry 2009	550,000
BIMCO 2000	420,000	Drewry 2010	562,000
BIMCO 2005	476,000		
BIMCO 2010	637,000		

Figure 8 Growth of global supply of seafaring officers



Source: BIMCO/ISF Manpower Reports and PAL/Drewry Manning Reports

Report/ Year	Number of Officers	Report/ Year	Number of Officers
BIMCO 1990	400,000	Drewry 2008	464,000
BIMCO 1995	409,000	Drewry 2009	517,000
BIMCO 2000	404,000	Drewry 2010	532,000
BIMCO 2005	466,000		
BIMCO 2010	624,000		

The BIMCO Reports show a trend of the seafarer supply (especially for officers) from China, India and Eastern Europe. The following comments from subsequent reports in 2000 and 2005 indicate the growing dependence of the industry on these countries and continents for seafaring officers. In the excerpts which follow, it is possible to discern the changing trends in the use of seafaring labour from OECD countries, the Far East and Eastern Europe. This changing trend is reflective of the entire spectrum of seafarers from ratings to officers.

The OECD countries (North America, Western Europe, Japan etc.) remain the most important source for officers, but the Far East has increased its share. The latter is by far the largest source for ratings. (BIMCO Summary Report 2000, p. 1)

The OECD countries (North America, Western Europe, Japan etc.) remain an important source of officers, although Eastern Europe has become increasingly significant with a large increase in officer numbers. The Far East and South East Asia (the 'Far East'), and the Indian sub-continent

remain the largest sources of supply of ratings and are rapidly becoming a key source of officers. (BIMCO Summary Report 2005, p. 1)

In 2010, this trend continued when the BIMCO Report indicated that the global supply of seafarers reflected '*significant increases in seafarer supply in some countries, notably in China, India and the Philippines, as well as in several European nations*'. This confirms the figures found in the Global Seafarers Database¹⁴ of the Seafarers International Research Centre (SIRC, 2003) which show that the global supply of seafarers is driven by Asia and transition economies (76%). However, these countries account for only 13.6% ownership of the world fleet in Gross Tons compared to 72% for advanced countries (Lloyd's Register 2003).

The widespread response of companies in the flagging out process was a substitution of crew from traditional maritime nations with those from developing nations. The flagging out process created a distinct dualism composed of the established flag sector (registries from the traditional maritime nations of the OECD) and the FOC sector (registries from the Global South) (Yannopoulos, 1988). This dualism was also reflected within the resulting global labour market, which was differentiated in terms of crew costs and labour quality. Compared to developing countries, both labour costs and average labour skills in traditional maritime countries were thought to be higher. The shift in seafarer demand from the traditional maritime nations to those of the Global South meant that while operators resorted to employing cheaper seafarers from non-traditional maritime countries, they also expected lower skill crews.

Accordingly, there was a gradual shift in the replacement of crews. Initially, ratings and some junior officers were employed from countries from the Global South, while senior officers continued to originate from countries of the Global North (Chin, 2008). Chin (2008) showed how ratings from OECD countries were steadily replaced by those from South Asia and the Philippines from the 1970s. Moreover, since the 1990s, low-

¹⁴ The latest available seafarer figures for the SIRC database is 2003, hence the comparison was made with the Lloyd's Register Fairplay, World Fleet Statistics figures of the same year. The World Fleet Statistics did not change much for 2010 – advanced countries retained their share of 70%, while Asia and transition economies increased their ownership to 14%.

waged seafaring labour has come from other countries around the globe, such as China and Eastern Europe. Today, increasing numbers of junior and senior officers hail from Global South countries, while the pool of national seafarers from traditional maritime countries continues to shrink.

2.4.2 Multicultural Crews

The gradual shift in seafarer demand resulted in multicultural crews. In the current seafaring labour market, companies are able to source the best quality crews they can find globally and for the salaries they want to offer (that is, companies will source for the seafaring labour that gives them the highest return on their investment). The crews of modern-day vessels are drawn from multiculturally diverse backgrounds and the knowledge about how to put together an efficient mix of nationalities onboard is an expertise that shipping companies have developed. The selection of seafarers not only requires knowledge about the remuneration of wages, but knowledge about nationality, language proficiency, and cultural practices, these being of equal importance (ILO, 2001). The ILO (2001) found that some nationalities (such as Russians and Koreans) tend to be placed onboard ships in groups because of their limited proficiency in English, while others (such as Filipinos and Poles) may be placed more easily amongst other nationalities. It has been argued that chief considerations for choosing mixes of crew depend on linguistic skills and cultural harmony (Sampson and Zhao, 2003). As we have seen above, seafarers from the three main regions of Eastern Europe, the Far East and South Asia make up the majority of the global supply of seafaring labour. It may be conjectured that their reportedly lowered wages and their availability is what strongly influences companies' decisions about the combination of multinational crew.

2.4.3 International Regulatory Standards

Open registries and FOCs are a resourceful way for states to convert their sovereignty into income (that is, to assert their sovereignty via a neoliberal agenda while at the same time collecting revenue by renting it to capital). The flagging out phenomenon is associated with the transformation of a regulatory structure in the industry which elicits contradictions by a *de facto* shifting of responsibility of overseeing seafarer rights and standards from flag states to international organisations, NGOs (Non-governmental Organisations) and port states (Chin, 2008). Because some FOCs and open registries

tend to be less stringent in their requirements for vessel crewing and the quality of crew, this has prompted the international maritime community to introduce and/or enhance international regulations regarding seafarer rights and standards, as the following will show.

The traditional responsibility of ensuring labour standards is a formality that has been unwittingly transferred from the state to international organisations such as the ILO and IMO. When the crew and the ship shared the same nationality, the state was more concerned and involved with maintaining an ample supply¹⁵ of national seafarers for its national fleet. However, with the advent of flagging out, this urgency has gradually been transferred to ship owners, ship managers/agents, and even to the seafarers themselves. With regard to training and labour, the IMO and the ILO are responsible for setting mandatory regulatory standards at the international level. However, they lack the authority to ensure that states comply with them. In fact, they are dependent on the voluntary co-operation of states to implement and enforce their convention obligations (International Commission on Shipping, 2000). Additionally, enforcement is carried out by collective port states (for example, the Paris and Tokyo MOUs – see footnote 7) and informally monitored by NGOs such as international seafarer missions.

The IMO's Standards of Training, Certification and Watchkeeping (STCW2010) was first adopted in 1978 and underwent two major revisions in 1995 and 2010. The Convention was set up to establish a set of international requirements on the basic standards of training, certification and watchkeeping for seafarers. Until it was established, such standards were difficult to determine since they were composed of a variety of practices in individual countries. The STCW mandates the minimum standards relating to seafarer training, certification and watchkeeping that governments and global training institutions must meet or exceed. Hence, the minimum training standards and sea experience surrounding the issue of seafarer competence means that professional seafaring certificates are recognised in the global maritime industry at large. This reflects the industry's acceptance of a universal standard of seafaring competence regardless of where the seafarer may have been trained.

¹⁵ They did this by arranging to train an adequate number of seafarers and ensuring the quality of their training. In a number of traditional maritime nations, the state provided training establishments and rigorous examinations, but the cost of training (cadetships and apprenticeships) was borne by the ship operators.

In order to gain entry into the seafaring labour market, individuals have to obtain their professional qualifications by successfully completing a training and cadetship. In general, candidates need to complete shore-based training programmes as well as to fulfil a period of sea service before they can obtain their professional qualifications or CoCs (Certificates of Competency).

These CoCs are internationally recognised documents issued by flag states to certify that the holder is authorised to perform the duties of a specific capacity (that is, deck or engineering) and at a specific level (that is, rating, operational, or management) onboard a ship. The document issued shows the level of mariner certification and the capacity and limitations of the vessels that the holder is authorised to serve on. All mariner CoCs (at the time of writing) must be STCW95 compliant and the 133 IMO signatory countries are obliged to ensure its compliance.

Among other guidelines, the STCW95 Code specifies the minimum amount of sea time that seafarers should fulfil before they are eligible to obtain their professional certifications. The sea service period therefore serves as a reflection of the practical training and experience that individuals have gained before they qualify to be examined for their professional certification. The amount of sea service varies with the vocation of the seafarer (that is, deck or engineering department) and with their rank (that is, whether they are qualifying to become a junior or senior officer). To be eligible for the most junior officer-level qualification, cadets are required to undergo an onboard training programme and document this in an approved training record book, part of which should be completed under the supervision of senior officers. Additionally, when applying for eligibility to take an oral examination leading to the issue of the next rank, seafarers have to show confirmation of the required amount of sea-service.

The foregoing is the route most seafarers, who are qualifying for their professional certification, take but there are also other means through which individuals may enter the officer labour market. Some deck officers may have started their careers as Ordinary Seamen and worked their way up to be Able Seamen before embarking on an officer training programme. Under the current STCW requirements, they need to show evidence of an approved seagoing service for a minimum period of three years and must attend an approved STCW shore-based preparatory course. For marine engineers,

however, several alternative pathways are available through which they can gain entry into the labour market in addition to the one designated above. Some marine engineers have been trained via apprenticeship schemes, where they receive their knowledge and experience from working in shipyards or heavy engineering industries before qualifying to work as junior officers onboard ship. Further to this, individuals with degrees in electrical and/or mechanical engineering can complete a conversion programme to become eligible for their marine engineer certification.

In short, to enter the labour market, candidates must work and train onboard a ship in addition to attending a formal training course. The availability of junior seafaring officers is affected, among other things, by the opportunities for cadet officers to fulfil the necessary sea service requirements (a pre-requisite for obtaining their professional ticket). This depends on the availability of training berths (that is, cadet vacancies) in the industry, which is determined by the amount of training that companies are willing to invest in.

2.4.4 Standardised Roles Onboard

Regardless of the vessel, you can expect to find a similar stratum of officers onboard merchant and commercial vessels (see footnote 2). For instance, the navigation department of large vessels will be typically staffed by a Captain, a Chief Officer, a Second Officer and a Third Officer, and the engine department will be staffed by a Chief Engineer, a Second Engineer, a Third Engineer and a Fourth Engineer. It is very rare for the onboard organisational structure to vary much from this arrangement. Moreover, officer and rating roles onboard are also somewhat standardised across the globe, with little variation in their roles between the vessel flag, type or size.

Work onboard is normally divided into departments (generally, deck and engineering) and distributed according to position or rank (Perry and Wilkie, 1974). Each position (or rank) onboard a merchant vessel is allocated certain unique shipboard responsibilities. For instance, traditionally, the Chief Officer stands 4 till 8 watch and is primarily responsible for the ship's cargo operations, its stability and the supervision of the deck crew (Turpin and MacEwen, 1980). As cargo officer, he/she oversees the loading, stowage, securing and unloading of cargoes and is responsible for the supervision of the cargo throughout the voyage, in terms of ensuring that the cargo

loaded does not compromise the stability of the ship; he/she is also responsible for the special care of dangerous or harmful cargoes. The Chief Officer also oversees the safety and security of the ship. Additionally, he/she is in charge of training the crew and cadets about the possible eventualities concerning safety, fire-fighting, and search and rescue. This practice of having a standardised set of duties contributes to the ease with which seafarers can move between ships and companies.

2.4.5 Standardised Seafarer Certification

As mentioned in section 2.3, the flagging out process saw the emergence of a dual labour market between developed and developing countries, this being segmented along the lines of labour quality (among other criteria). One of the responses of the industry to this discrepancy of labour quality was the creation of a system of seafarer certification which could indicate that its holder had met a certain level of competence. The STCW Code, first introduced in 1978 with subsequent amendments in 1995 and 2010, maps out the guidelines for the certification of seafarers. Seafaring officers have to be appropriately certified for every rank that they will serve onboard. Figures 9 and 10 show the certification levels for the various ranks of merchant officers. Their certification states the capacity in which they are qualified to serve, the areas to which they may sail and the tonnage or propulsion limitations of the vessels they are competent to operate. Note that even within the same rank, seafarers have to be accordingly certified for where they may sail to and for the size of the engine/vessel they may serve on.

Figure 9 STCW Certification Levels for Navigation Officers

CAPACITY	AREA LIMITATION	TONNAGE LIMITATION
Master	Near coastal	Less than 500 gt
	None	Less than 3,000 gt
	None	None
Chief Mate	None	Less than 3,000 gt
	None	None
Officer in charge of navigational watch (OOW)	Near coastal	Less than 500 gt
	None	None

Source: ITF, STCW-95 A Guide for Seafarers (2002)

Figure 10 STCW Certification Levels for Engineer Officers

CAPACITY	AREA LIMITATION	PROPULSION POWER LIMITATION
Chief engineer	None	750 kW to 3,000 kW
	None	3,000 kW or more
	Near coastal	750 kW to 3,000 kW
	Near coastal	3,000 kW or more
Second engineer officer	None	750 kW to 3,000 kW
	None	3,000 kW or more
	Near coastal	750 kW to 3,000 kW
	Near coastal	3,000 kW or more
Officer in charge of an engineering watch (OOW)	None	750 kW or more less than 3,000 kW
	Near coastal	

Source: ITF, STCW-95 A Guide for Seafarers (2002)

Prior to this, such standards for training, certification and watchkeeping for seafarers (both officers and ratings) were established by individual states without any coordination with the practices of other governments. However, despite the introduction of the code, discrepancies in seafarer quality continue to exist (see 5.5.2 (iii)). Many in the industry have therefore disputed the effectiveness of the code in providing a standard that uniformly produces seafarers who demonstrate a given level of quality. Despite this, however, the standard is still internationally recognised in the maritime industry as an acceptable qualification.

The global recognition of seafarer certification corresponds very neatly with the standardisation of the roles onboard ship, where a seafarer with a specific certificate such as the CoC1 (Certificate of Competency, Class 1) is recognised as being legally qualified to serve onboard in the capacity of Captain, a seafarer with a CoC2 qualifies to serve as a Chief Officer, and a seafarer with a CoC3 qualifies to serve as an officer up to the Second Officer rank. A similar correspondence of professional certification with onboard roles also exists for engineer officers.

The industry's international recognition of seafarer certification and the analogous recognition of the onboard roles, which the holders of this certification are deemed to be capable of, has created an apparently single and simplified global labour market. This assumes that a holder of a certain certificate is competent to carry out a specific role onboard a merchant ship. Therefore, despite the differences in the alignment of certification and onboard responsibilities, there is a generic approach to the labour market that readily subsumes the homogeneous nature of seafaring labour. Thus, the frequent portrayal of the seafaring labour market as an exemplar of a global labour market (Sampson and Bloor, 2009; Sampson and Schroeder, 2006; Lane 2000) – an international space in which seafaring labour can be procured from any part of the world with comparable ease – often ignores the discrepancies of seafarer cost and quality.

Conclusion

This chapter raises a number of questions about the impact of globalisation and neoliberalism on the seafaring labour market. It has tried to show the impact of globalisation on the shipping industry and its labour market. The influence of the neo-liberal agenda can be seen throughout the development of trade, demand for maritime transportation and its labour market. The process of neo-liberalism prompted an outcome in global seaborne trade which tripled between 1970 and 2009. This subsequently triggered a quadruple growth (in terms of Gross Tonnage) in the world fleet during the same period. The uneven strains of neo-liberalism that evolved (Tickell and Peck, 2003; Peck, 2004; Larner, 2005) and spread across the world resulted in a labour market that was both globally inclusive as well as fragmented.

The growth in world tonnage, together with the simultaneous occurrence of the flagging out phenomenon and the establishment of new ship registries allowed for the creation of a single global labour market for seafarers. Declining global trade in the 1980s, accompanied by excess cargo carrying capacity and the resulting disastrous disintegration of freight rates was a prelude to the widespread collapse of many shipping businesses. The response of many shipping businesses was to find a way of achieving lower costs. This resulted in a widespread engagement in the process of flagging out to FOC or open registries. FOCs provided weak regulatory regimes and an

escape from regulatory burden so enabling shipping companies to be more flexible in handling their labour needs. The deregulated labour market that arose from the flagging out system meant opened up other sources of labour to the disposal of maritime companies to employ with limited restrictions. The other significant event that occurred with the business downturn was the emergence of ship management companies and in their wake, the more specialised crewing agencies.

These developments were important in accounting for the formation and operation of the global maritime labour market. The established global character of the maritime labour market advances a subsequent question about its structure. The next chapter will go on to consider the structure of labour markets in general and then the maritime labour market. It will discuss labour market segmentation and link this with the issue of the perceived seafaring 'shortage'.

CHAPTER THREE

The Labour Market Segmentation and ‘Shortages’

Introduction

Labour markets may be thought of in terms of geographical areas, occupational and industrial groups, or groups of workers (Kalleberg and Sorensen, 1979). Thus, they may possess the attribute of physical space, can be associated with groups of peoples who are in the same occupation and/or in a particular industry, or may be associated with particular clusters of workers. Kalleberg and Sorensen (1979) define labour markets as ‘the arenas in which workers exchange labor power in return for wages, status, and other job rewards’ (p.351). For them, the concept of labour markets broadly includes labour market institutions, whose rules and practices govern the purchase, sale and pricing of labour services.

This chapter is presented in two parts: Part one examines the literature on labour markets and specifically discusses the issue of labour market segmentation. In this section, I also examine the available literature on the seafarer labour market and argue that there is limited evidence, supported by the research presented here, to suggest that this may equally be characterised by forms of segmentation. Part two provides a discussion about labour ‘shortages’ as well as the literature on seafarer shortages; here, it is argued that the concept of a ‘shortage’ can be used as an analytical means from which to examine the nature of the ‘global’ seafaring labour market. This highlights how an appreciation of the issue of seafarer ‘shortages’ can facilitate an understanding and representation of the seafarer labour market.

3.1 Labour Markets and Segmentation

3.1.1 General Labour Markets

Classical economists incline towards an assumption of a perfect market in which all labour and employers compete on an equitable level for jobs and workers (Kerr, 1954). These theorists are mainly concerned with the achievement and maintenance of equilibrium in the market rather than with explaining differences in market behaviour (Evans, 1973). For them, differences in the market are only temporary since markets are always seeking and moving towards a position of equilibrium. In classical economics, labour is not only considered a commodity (as a means of production), but workers are also regarded as homogeneous. There is an underlying assumption in a classical single market that labour should be treated as a standardised factor of production and the movement of labour should be exceptionally flexible since labour is perfectly substitutable. The classical view assumes that the labour market, like the commodities market, would adjust itself so that the supply of labour would match its demand. In this way, the market reaches equilibrium and the price of labour is determined. To the classical theorist, wages are flexible because they are constantly adjusting to changes in supply and demand. According to the perspective of the classical theorist, unemployment is voluntary because those offering their labour can choose not to be employed when wage levels decline (like for instance, during a recession). Such an empowered choice indicates that there is an assumption that labour is highly mobile, and that a worker can choose when and where to enter the labour market. This classical model also postulates an aggregate demand for labour, essentially that all labour (even the least qualified) will be employed if there is adequate demand (Evans, 1973). However, the disadvantage of this orthodox view is that it does not account for unemployment that occur during non-recessionary periods, where there is adequate demand and wages are not in decline. Another short-coming of the model is its assumption of homogeneity - while it is convenient conceptually to treat workers as homogeneous components of production, in practice they are not. Due to social factors inherent in workers, labour is not perfectly homogeneous and does not respond in the same manner to price changes as product demand does to prices in commodity markets (unlike demand for products, demand for labour is not contingent upon its price but upon the price of the product that it produces). The following may be used as

evidence for the imperfections of the orthodox model: The acknowledgement that labour is not homogeneous, taken together with the occurrence of non-recessionary unemployment, points toward the existence of structural unemployment (the unemployment in the labour market that results from a mismatch between labour demand and the skills and locations of the workers seeking employment).

One alternative to the orthodox view suggested by Cain (1975) was the job competition model which although resembles the orthodox view focuses on jobs rather than wages. This focus of the job competition model is more applicable for our interests in the seafaring labour market. In the job competition theory conceived by Thurow (1972), cited in Cain (1975, p.18), individuals compete with each other in the labour market for jobs and not wages. The labour market exists where job opportunities are allotted to individuals in a job queue and where their wages are determined by the nature of the job and not by the skills an individual possesses. Decisions about job allocation, promotion and on-the-job training are also determined within the organisation.

A Case for Market Segmentation

While the aggregate view of the job competition model presumes that all individuals in the labour queue will eventually be employed, Kerr (1954) presented a more differentiated perspective of labour markets based on the disaggregation of labour. Disaggregation occurs through the operation of labour market institutions and constitutes the system, the dynamics and the structures of labour markets. Labour becomes differentiated when laws, practices and policies (concerning employment protection, minimum wages, employment conditions, collective bargaining, and wage flexibility) change in such a way that different interest groups are created within the market. These different groups may be described as 'non-competing'. Kerr (1954) identifies this differentiation of labour as 'the balkanization of labor markets' (p. 21-37).

The concept of non-competing groups was first used in the mid-19th century to refer to four broad occupational categories of artisans, small retailers, highly skilled producers and professionals (Rubery, 1978). Since then, they have been diversely identified in terms of occupation, social class, gender, and race (Wilkinson, 1981). The basis for market segmentation theories grew out of the concept of non-competing groups, for

whom the conditions of competition are maintained separately for each occupational, social or geographical group.

The literature on labour markets shows that markets are often striated rather than homogeneous; many researchers regard labour markets as being segmented rather than holding the classical view which argues for a single, perfectly competitive labour market (Doeringer and Piore, 1971; Piore, 1972; Reich, Gordon & Edwards, 1973; Dickens and Lang, 1992). Such segmentation of labour markets regularly cuts across social class and educational levels and striation may further occur within specific labour sectors.

Most of the literature on segmented labour markets suggests characterising them into distinct sectors, these revolving around variations of the dual labour market theory. The earliest model of the 'dual labour market' theory (Doeringer and Piore, 1971; Piore, 1972) hypothesised a division of the labour market into primary and secondary sectors with little mobility between the two (Piore, 1972). The primary sector is essentially one with job stability and better conditions of pay, work and career advancement, while the secondary sector is the opposite. They have further postulated that membership in the secondary sector may be linked to a minority or disadvantaged social group and that it would be particularly difficult for this group of workers to cross over to the primary sector. Piore (1972) also differentiates between an upper and lower tier among jobs in the primary sector, which are distinguished by their status, pay, promotion opportunities and autonomy. While the basic dual theory holds that the significant distinction in the market is between 'good' and 'bad' jobs, it has been argued that these jobs are not necessarily a dichotomy of good and bad jobs, but rather they may be understood as being on a continuum (Easton, 1997).

The concept of dual labour markets was proposed to account for certain observed characteristics in the economy, such as dividing the workforce into agricultural and manufacturing sectors, explaining wage differences between large and small firms or understanding the differences in market experience between groups of workers (Evans, 1973). Essentially, the dual market concept is a sorting mechanism to organise the labour market into coherent parts. This makes it easier to understand the rationale of employment behaviour for both employers and employees (Evans, 1973). Thus, the

markets have been characterised as segmented according to the size of the firms (large versus small), the industrial sectors (agricultural versus manufacturing), gender, race, educational credentials and employment relations (standard versus non-standard employment terms) (Weisskoff, 1972; Bowles, 1973; Evans, 1973; Reich *et al.*, 1973). The dual market concept has also been used to organise the various types of labour skills that companies need (for example, white versus blue collar workers and highly-skilled versus semi-skilled workers). In this way, labour market segmentation helps large companies maintain an adequate labour force at a minimal cost. For instance, Evans (1973) identifies large firms in Japan that have a 'core' labour force of permanent employees, while at the same time maintaining a mixture of temporary employees, labour from employment agencies and labour from small-scale firms to whom they may sub-contract out work. Reich *et al.* (1973) pointed out that these divisions of markets (where workers face varying working conditions, wages and market institutions) pose difficulties for neoclassical theorists who predicted that labour market differences would wane over time. They defined labour market segmentation as 'the historical process whereby political-economic forces encourage the division of the labor market into separate submarkets or segments, distinguished by different labor market characteristics and behavioural rules' (p.359). Segments may striate the labour market either horizontally or vertically. Like Piore (1972), they described similar division and subdivisions of the market – first, a division into primary and secondary markets, and then a division within the primary sector into 'subordinate' and 'independent' jobs. Subordinate jobs are those that have an established routine and encourage workers to be dependent and deferent to rules and authority, while independent jobs require creativity, problem-solving skills and initiative. Dickens and Lang (1992) identified two key components of segmented labour markets. The first was the idea that labour markets consist of distinct sectors with separate policies for wage and employment. Secondly, entry to jobs (competition for vacancies) in all or some sectors is limited. When testing the assumptions of the dual market theory, they found that certain jobs (such as those in agriculture, retail and service) were very likely to be associated with the secondary sector, while others (such as those in manufacturing) were linked to the primary sector. They thus found a lack of labour mobility between the two sectors.

Labour mobility is key in the assessment of market segmentation. The dual labour market theory assumes that there is an inverse relationship between occupational mobility and sectoral divisions in the labour market. According to Dickens and Lang (1992), early writers of market segmentation theory highlighted the existence of a hierarchy among the sectors and a limited mobility between them (with entry to the highest paying being the most difficult). In their study, they found a lack of labour mobility between the primary and secondary sectors. Rumberger and Carnoy (1980) found that ethnic minority workers were more likely to start their careers in the secondary sector and to remain there, unlike their white counterparts. These authors therefore maintain that this disparity in mobility validates the dual market theory. Similarly, Wachter (1974) found that racial discrimination is the main institutional barrier that makes it harder for blacks to leave the secondary sector once they start their working careers there. However, it is possible that individuals are predisposed to jobs in either the primary or secondary sectors – they remain there not because they are prevented from leaving but because of interests and/or educational background.

This critical assumption of the segmentation model (that is, the rigidity of barriers between sectors) was challenged by Schiller (1977) who demonstrated that during the economic expansion of the 1960s, minority blacks were more upwardly mobile than whites in terms of their wage earnings across sectors and by Smith (1989) who demonstrated the relative mobility of blacks across levels of experience when compared to their white counterparts. Leigh (1976) also refuted this assumption when he found that career advancement (in terms of shifting jobs between firms and industry) did not differ significantly for blacks and whites. However, it should be noted that the lack of significant differences in mobility between groups does not necessarily mean that barriers do not exist. Bearing this in mind, we may argue that labour mobility is affected in most instances when movement into certain market sectors is limited by law, non-transferable skills or the confines of poverty. And so, labour is seen as restricted to certain job sectors, with movement into or out of each sector and between sectors being clearly limited. The reduced level of labour's ability to move easily between sectors indicates that segments in a labour market are sufficiently discrete. The level of mobility therefore infers the ease with which workers can step into each others' jobs. Easton (1997) suggests using this interconnectedness of the labour force

(that is, how well workers may be able to do each others' jobs) to assess the heterogeneity of the workforce. He thus proposes that the slower the rate of substitution, the greater the heterogeneity of the labour force and therefore, the more segmented the labour market.

Variations of Market Segmentation

'Internal labour markets' (Doeringer and Piore, 1971) may refer to labour within a particular organisation, organisational division or occupational group. The concept also refers to a set of rather complex rules which determine the entry and exit of workers within sectors. For example, mobility within an occupational group is controlled by the structures within the group, such as having to meet various educational, training and certification requirements. Here, organisational mobility is controlled by the employment structures established by the firm. A firm's internal and external labour markets may correlate to a large company's core and periphery labour (Kalleberg, 2003) where core workers enjoy permanent employment relations and periphery workers are those who form the supplementary workforce of a company and have non-standard work arrangements. Reich *et al.* (1973) identified further stratifications of 'internal labour markets' as, for instance, segmenting it into white collar and blue collar jobs, each with its own entry requirements and career ladders. Alternatively, the workforce may be segmented by introducing educational certification to distinguish between semi-skilled and the more highly-skilled white collar workers. In addition, employers may further segment their workforce through ethnicity. This may be done by exploiting new sources of labour, such as importing an ethnic minority group as 'strike-breakers', engaging rival ethnic groups and introducing jobs for female workers.

Competitive capitalism was a period of mass production which was marked by the homogenisation of labour, the standardisation of work, a surge in labour conflict and an interest in the control and exploitation of labour. Reich *et al.* (1973) argued that labour market segmentation arose with the transition from competitive to 'monopoly capitalism' (where the state intervenes to protect large monopolistic or oligopolistic businesses from competition by smaller firms). Firstly, the fragmentation of the market came about from the conscious strategies of monopolistic corporations to destroy the united interests of workers and to separate the labour force into segments. Such

conscious efforts included using Taylorism and Scientific Management methods to divide up the work process and segment workers and the seeking of expertise from human relations experts to devise incentives to motivate labour in a way which established hierarchical control. Secondly, systemic forces (in the form of firm size and technological advancements) have also contributed to the segmentation of the labour market. Large capital-intensive firms were often able to provide stable employment relations with good working environments, wages and career progression. Small firms and their employees, on the other hand, were often the outsourced labour of large firms, and, as a result, functioned on the periphery of the labour market and enjoyed less stable employment relations. Systemic forces in the form of technological advancements intensify segmentation by distinguishing between the skills needed for various types of jobs within the market.

An alternative form of segmentation is that of a 'split labour market'. Labour markets become 'split' when new groups of labour are introduced to compete with existing groups for the same jobs. The competing groups are willing to accept lower wages or lower standards of living and are less likely to engage in labour disputes. Some of these groups may be disadvantaged in terms of economic, information and political resources. They come from economically poorer regions or countries and are therefore ready to accept low wage levels, which are nevertheless higher than those they would be able to earn in their original economy. In addition to this, they may not have information about what their employment rights and earning potential in the new economy could be. Finally, they are politically weak, lacking the resources to protect themselves through labour organisations or unable to be protected by decrees from their governments. Other groups may not necessarily be disadvantaged but are motivated to remain in a specific labour market for the short term and are thus willing to endure adverse working conditions for a temporary period. A split labour market has thus been defined as one in which a large wage difference exists for the same occupation (Bonacich, 1972). This wage differential results from a combination of discrepancies between groups of labour; these range from differences in their resources (economic, political and information) to their motives for working. Here, a split market is largely facilitated by employers' attempts to replace higher waged labour with cheaper forms and is based on the social antagonism caused by the splits – along ethnic, gender or

social lines - of two or more groups of workers whose labour prices¹⁶ differ for the same job.

Flexible Labour and Market Segmentation

Flexible forms of labour emerged from the post-Fordist globalised economy. Unlike the specialist craftsmen of the middle-ages, the contemporary worker must be multi-skilled and adaptable (Dore, 2004). It is therefore necessary for the contemporary worker to adjust to the speed of technological changes in order to remain relevant in the labour market. Additionally, increasing instances of informal employment relations and job security have arisen. Permanent and full-time employment have given way to more temporary and flexible employment relations. Here, deregulation policies in the labour market, founded on the concept of the elimination of institutional intervention, have removed barriers to allow the mechanism of free market forces to operate (Klerck, 2002). Many of these 'barriers' contained protective elements for the worker which were perceived as obstacles to economic development. The processes of globalisation (through neoliberalism) has simultaneously created an extremely reactive, flexible global labour market for employers and shaped a demand for non-standard employment 'characterized by a total or partial absence of regulation' such that 'workers on non-standard employment contracts exist in a relatively lawless situation.' (Chalmers, 1989 in Oladeinde, 2008, p 56).

The deregulation of labour markets and its institutions has led to greater flexibility in work arrangements (such as permanent, temporary part-time, regular part-time, contract and self-employment relations). There has been a reduction in employment protection for workers because of the proliferation of non-stable employment conditions (although it is possible that reduced employment protection may also be attributed to decreased union power and involvement). Through flexible employment, emphasis is placed on the impact of market forces through the introduction of labour competition. The differentiations in the labour market and its participants via changes to the rules,

¹⁶ Bonacich (1972) notes that the price of labour goes beyond wages to include other costs to the employer, such as recruitment, training, relocation and health care. Sometimes, this 'price' of labour is used in assessing the cost of attracting labour from another competing sector.

practices and policies of employment were the basis for the development of dual labour market models and their counterparts. The non-standard employment industry is thought to have emerged with the segmentation of the labour market. Here, together with the proposed ‘tiered’ system of Oladeinde (2008) in the labour market, it is argued that market segmentation has encouraged the increasing practice of non-standard employment. The tiered system resembles the internal labour market concept where two forms of employment - ‘traditional permanent employment’ and ‘temporary employment’ – result from a rift in employment relations. This has simultaneously created a distinction between the core and peripheral employees of a company, and such a peripheral labour market is where the increasing use of non-standard employment occurs.

The deregulation of labour has created flexible labour markets that have facilitated the exploitation of labour (Bourdieu, 1998). Such markets allow employers to hire workers on a contract or temporary basis and encourage competition between teams or departments of workers. Individuals are paid differentiated wages, their job performances are evaluated, their salaries are increased and their bonuses are individualised as a component of their assessed performance. This destruction of collectives has rendered labour precarious and weakened its solidarity (Bourdieu, 1998; Tickell and Peck, 2003).

3.1.2 The Seafaring Labour Market

If the global seafaring labour market were to be regarded as the entire population of seafarers, we would have to include every individual who has an occupation at sea. In essence, this is how the MLC (2006) defines seafarers – who may be ‘any person who is employed or engaged or works in any capacity on board a ship’ (p.3). Such people include fishermen, hotel and catering staff working onboard cruise ships, navy personnel as well as seafarers working onboard merchant vessels. For the purposes of this thesis, the definition of the global seafaring labour market refers only to seafarers who operate commercial vessels (see footnote 2).

There is a tendency within the industry when discussing the global labour market, to accord a generic nature to seafaring labour. For example, there have been many newspaper articles (chapter five offers an analysis on Lloyd’s List newspaper articles)

which, when reporting about the crewing crisis, discuss the issue without differentiating seafaring labour. Although this does not imply that they are unaware of differentiated seafaring labour, the concept of a generic global labour market can be problematic when discussing solutions to the crewing crisis. It presumes that employers may employ any crew willing to do a job at a given wage and that seafarers are able to compete for the same set of jobs and capable of performing any seafaring jobs available in the market. It infers a simplistic underlying assumption that seafaring labour can flow smoothly within the market despite seafarers having specialised knowledge, experience and/or certification for specific vessel types.

Here, it is important to bear in mind the fact that global requirements for seafaring labour are not necessarily only categorised into the company's need for ratings and officers, or into their local and global requirements for seafarers. There is also limited evidence to suggest that the apparently 'global' seafaring labour market may, in practice, be segmented along a number of other dimensions, such as those of ship type, nationality, traditional alliances, trading routes and gender (Belcher, et al., 2003; Thomas, 2004; Leggate-McLaughlin, 2012).

Current Segments in the Market

There have been several debates about how seafarers as a group may be defined in order that estimates can be made in terms of their supply and demand. Definitions of seafarers in the labour market vary with researcher and practitioner approaches. Thus, despite BIMCO's and Drewry's attempts to quantify seafarer supply and demand, the task of calculating the global supply and demand of seafarers inevitably produces discrepancies in the figures. Hence, the discrepancies in estimates by BIMCO and Drewry Reports arise from their differing working assumptions and their calculations of seafaring labour. Even within the same survey, BIMCO (2010) has acknowledged that its figures from different years cannot be directly compared due to the differences in the methodologies¹⁷. This matter is made more problematic by the fact that many countries have no established system to account for their seafaring population (Leggate, 2004). Moreover, the criteria for the measurement and estimation of seafarer demand and

¹⁷ It is noted here that the presentation of the demand and supply numbers in Figures 7 and 8 were aimed at showing trends rather than for the purpose of comparing the precision of estimates.

supply is hugely debatable. This can be illustrated by looking at the various possible definitions for the ‘number of seafarers’ (Li and Wonham, 1999); it includes considering the numbers for :

- i) seafarers working onboard at a given time;
- ii) total positions onboard the world fleet;
- iii) seafarers who are currently employed (that is, both those who are working and those on shore leave);
- iv) active seafarers (that is, both those who are currently employed by a company and those seeking onboard employment):
- v) qualified seafarers (that is, both active seafarers and those seeking or engaged in shore jobs).

Leggate and McConville (2002) hinted at market segmentation by highlighting complexities in the seafaring labour market that it was ‘not simple or unified but a diversity of markets cutting across and interacting on one another in an international environment’ (p465) and is therefore ‘profoundly segmented by national boundaries with a multiplicity of barriers both direct and indirect, to free movement of labour within the industry’ (p466). Hence, in reality, although the seafaring labour market is global in some sense (that it may be perceived as a shared and interconnected space, where employers and seafarers are mutual available to each other and may freely move around in the labour market), it is not perfectly unified or homogeneous but segmented. Globalisation has given maritime businesses access to new labour markets and enabled them to transform the way they run their businesses. The flagging out of ships has enabled the industry register their physical capital off-shore and to outsource their labour to lower-cost nations with relative ease. In section 2.4, when labour supply and demand shifted from the Global North countries to those in the Global South, a geographical dualism in the labour market was observed with seafarers from the North experiencing better wages and terms of employment compared to those from the South.

Some researchers have suggested that the duality in the seafaring labour market is also ‘tiered’ (Tsamourgelis, 2009). The selective substitution of national seafarers with non-national seafarers in OECD countries has generated a ‘two-tiered system’ of employment (Tsamourgelis, 2009) where employers make decisions about the

employment of national and non-national seafarers based primarily on the systemic differences in wages and the 'on-the-job-performance' between the two seafarer markets. In general, more expensive national seafarers from traditional maritime nations have gradually been replaced by cheaper foreign crews. This process was executed in such a way so that national seafarers were still preferred for senior officer positions while foreign seafarers were employed to fill junior officer and rating positions. In addition, senior officers were usually employed on a permanent contract (if the company had a permanent employment system in place) while junior officers and ratings were employed on short-term contracts. Earlier, Donn (2002) had proposed a similar dual tier of seafarers - an 'upper tier' with higher status, wages and benefits- and a 'lower tier' with a corresponding lower status, wages, and benefits. This tiered status was also identified as existing between officers and ratings, where officers enjoyed permanent contracts and better privileges and benefits which were accompanied by a higher-status (Yannopoulos, 1988) and between seafarers from the Global North and the Global South, where status corresponded inversely to the contract length (ILO, 2001).

Some dichotomies have been identified, but these do not work for the purposes of a workable definition of the seafaring labour market. Seafarers in any given country have either been identified as serving the national fleet or the global fleet (Glen, 2008). Here, national seafaring markets consist of seafarers who serve their country's domestic fleets, while the global seafaring market consists of those who serve onboard foreign-flagged vessels. This is not, however, a functional way of looking at seafarers since the same company may operate ships which trade both domestically as well as internationally and their seafarers may move between these vessels. Nevertheless, it is a useful dichotomy to bear in mind for the purpose of conceptualising the physical space of the labour market (This will be discussed in Chapter 9). Similarly, vessel size (using either Gross Tonnage or Deadweight Tonnage) has been used to identify segments of seafaring labour. For instance, Wu and Sampson (2005) estimated that 68% of the world's seafarers are 'global' and in their case they defined global seafarers as 'people who work on ocean-going ships greater than 1000 gross tons' (p.357). Again, this is not a sustainable definition since seafarers are not restricted to working for a specific ship size and may move between them. However, the idea that there are

different types and sizes of ships holds possible suggestions for the ways in which the labour market may be segmented.

There is some evidence that the seafarer labour market may be dually segmented in terms of geography, wages, employment conditions and perceived level of quality. However, beyond these dualities, there is limited confirmation that the labour market has been divided by practitioners according to other dimensions or indeed that these translate into employment practice. Hence, from the discussion above, it may be anticipated that the segmentation of the labour market for seafarers is influenced in a variety of ways. Geographical influences (such as, national or regional boundaries), employment conditions (for example, wages and contracts), seafarer abilities, and trade sectors are likely to have an impact in the formation of market segments. Additionally, segmentation can also occur vertically by creating tiers in the labour market. For instance, groups of seafarers may be paid differing wages according to their perceived quality, skill or specialised training. Therefore, a variety of influencing factors may interact with one another in a way that produces segments which are either horizontally or vertically aligned.

3.2 The ‘Shortage’ of Seafaring Labour

This study aims to develop an understanding of the global seafaring labour market via an examination of the ‘shortage’ of seafaring officers in the industry. It uses the issue of the perceived shortage of seafaring officers to systematically explore the nature of the labour market by studying how companies cope with their demand for seafaring labour.

3.2.1 Assessing the ‘Shortage’ of Labour

The BIMCO Manpower Reports (1990 – 2010) have consistently estimated a shortfall in the supply of seafaring officers relative to demand¹⁸. The initial report in 1990 estimated a massive shortfall of 50,000 officers before subsequently revising this

¹⁸ It is noted that in addition to current year estimates, each of the BIMCO Reports also projected demand-supply labour gaps for the subsequent ten years. The projections were made using three scenarios based on assumptions about fleet growth, crewing levels or labour supply (for instance, assuming zero growth, a ‘benchmark’ growth based on recent trends and a high fleet growth). Some of these projections forecast scenarios of surplus for officers.

number to a more moderate 18,000 in 1995. In 2005, the report's shortfall estimate touched a low of 10,000 officers. This rose back up to 13,000 officers in the following 2010 report which also forecasted a shortfall of 31,000 seafarers by 2015 (based on their 'benchmark scenario' which assumes a modest increase of 2.3% per year in the number of ships in the world fleet).

Since 2008, another organisation (Drewry Publications and Precious Associates Ltd) has also been estimating a shortfall in the supply and demand of seafaring officers in their production of the Drewry's Annual Manning Report. In 2009, despite the global economic downturn and cancellations in the new ship order books, the Drewry Report of Precious Associates Ltd still estimated a shortfall of 33,000 officers and, in 2010, this shortfall figure was revised downward to 30,000 officers. The same 2010 report forecast a shortfall of 14,000 officers by 2014 (less than the number forecasted by BIMCO). While there are discrepancies in the estimated and forecasted figures between the two sets of reports (arising either from methodological differences and/or from their disagreement about the severity of the 'shortage'), they both show fluctuations in estimates over the years within each set of reports, this being indicative of a dynamic labour market scenario.

There is therefore a case for focusing on seafaring officers in this study; this is based on the above scenarios projected by the BIMCO and Drewry reports as opposed to the figures they projected for seafaring ratings. In contrast to the officer scenario, however, the situation for ratings (non-officer seafarers) has always reflected a surplus. Nevertheless, it should be noted that the estimated gap between supply and demand of ratings has been rapidly narrowing over the last decade as well as of late, and the 2010 figures indicated a match in the corresponding figures for supply and demand.

The quantitative 'shortage' demonstrated by the BIMCO and Drewry Reports does not explain the diverse ways in which seafarers are defined and accounted for, and this has resulted in considerable ambiguity when accounting for the 'shortage' of seafarers.

This ambiguity means that when the claimed seafarer 'shortage' developed in the 1990s, it was perceived as having crept up on the industry. The following excerpt from

Spruyt (1994) aptly illustrates the ambiguous nature of the ‘shortage’ and hints at how complex the labour market can be:

. . . no one knew for certain whether there was a shortage or how big it was and would be. Marine labour supply is very complex. . . . But there can be shortages and surpluses at the same time in different countries. Supply is distorted by local regulations, currencies, wage levels, and very poor statistical control. Demand is affected not only by the number of ships in the active fleet, but also by flag states’ rules defending [the]employment of their citizens, differing manning levels caused by union pressure and/or government rulings, seafarer capability. (Spruyt, 1994, p185)

3.2.2 Defining ‘Shortage’: Quantity versus Quality

Although there is widespread acknowledgement in the industry literature (such as newspaper articles, magazines and conference papers) of a ‘shortage’ of seafarers, a precise definition is difficult to establish. The difficulty of producing a universally acceptable definition of labour ‘shortage’ has been acknowledged (OECD, 2003; US Bureau of Labor Statistics, 1999). Moreover, while practitioners agree about its existence, there is little consensus about its meaning, form and composition. Despite statistical data from manpower reports, there has been a lack of corroborating empirical evidence of the ‘shortage’. Nor has the ‘shortage’ of seafaring labour manifested itself in the most obvious manner, that is to say, in a significant number of ships being tied up (that is, unable to sail) or significant vessel delays (that is, ships being delayed in port) because of a lack of officers.

The quantitative perspective of the labour ‘shortage’ is manifested as a discrepancy in the labour market between the supply and demand of seafaring officers – essentially a negative ‘gap’ between the supply of labour and its demand. This is generally acknowledged as a condition in the labour market where there are ‘unfilled vacancies’. This basic quantitative characteristic of unfilled vacancies presents a unique challenge to the shipping industry. Moreover, despite the apparent logic that an aggregate ‘shortage’ should show up as vacant onboard positions, the industry’s experience of the ‘shortage’ of seafarers does not present itself as ‘unfilled vacancies’, since there has never been overwhelming evidence to show that a large number of ships were unable to sail due to a lack of crew. This implies that the labour ‘shortage’ is not merely a

problem of an aggregate shortfall, thus challenging the concept of a classical labour market.

Hence, the qualitative nature of the 'shortage' must also be considered. From an economic perspective, a labour 'shortage' is a condition beyond that characterised by 'unfilled vacancies' in the labour market. It is a condition in which the relative supply of 'qualified' applicants is linked to wage levels and employment conditions (Shah and Burke, 2005; Barnow, Trutko and Lehman, 1998). Richardson (2007) suggests that the main empirical indicator of a labour 'shortage' is the existence of 'unfilled vacancies' which also present the quality of being 'hard to fill'. Thus, one way to measure 'hard to fill' vacancies would be to consider the average length of time that companies need to fill a position. Here, the qualitative expressions of seafarer 'shortage' are often manifested as comments from the shipping media which suggest that there is a lack of 'quality crew' rather than just a lack of crew. This will be explored in the Preliminary Analysis on the Industry Literature in Chapter Five.

Conclusion

This chapter presented a discussion on labour markets and segmentation, and surmises that some dualistic characteristics are discernable in the seafaring labour market. Here, numerous bifurcations may be observed in the labour market following the loss of vessel tonnage from the strictly regulated established flag registers to administratively lax FOCs (which have with fewer constraints on labour and operational standards). As a result, dichotomised labour segments can be discerned in the form of higher versus lower waged labour. This corresponds to the following situations of:

- higher-skilled workers from traditional maritime nations versus lower-skilled workers from new labour supplying nations,
- national seafarers versus foreign seafarers, and
- seafarers employed regionally versus those employed internationally.

However, the market is thought to be segmented beyond the basic dual market structure. It is postulated that the various influences (geographical, economic, and sectoral) will shape and fragment the labour market both horizontally and vertically.

In order to tease out the various boundaries that give shape to the seafaring labour market, the phenomenon of the seafarer 'shortage' will be adopted as a perspective from which to analyse it. This chapter has argued that the labour market may be understood through the examination of the indicators of the perceived seafarer 'shortage'. An examination of the 'shortage' should go beyond the quantitative scrutiny of 'unfilled vacancies' and should instead focus on the manifestations of the 'shortage' from the perspective of 'hard to fill vacancies'. By considering why vacancies may be hard to fill, this study will examine why certain readily available labour are not being used to fill particular positions. This will be discussed in chapter nine.

Three research questions have arisen out of the discussions in this chapter:

- (i) How (if at all) is the labour market for seafaring officers segmented?
- (ii) How does the demand and supply of seafaring labour reflect segments in the labour market?
- (iii) What are the perceived limitations that prevent the harmonising of demand and supply of seafaring labour in the global market?

These questions will determine the research and will be dealt with through a comprehensive study, the framework of which is set out in the next chapter.

CHAPTER FOUR

Researching Seafarer ‘Shortage’

Introduction

The seafarer labour market has often been referred to as a global labour market (Lane, 2000; Wu and Sampson, 2005; Sampson and Schroeder, 2006). However, the nature of the GLM and how it functions has not been examined. The task of this study is to gain an understanding of the structure of the seafarer labour market through the experiences of companies, their policies and their understandings of the alleged ‘shortage’ of ships’ officers. The broad objectives of the study are therefore to develop an understanding of the GLM by developing an understanding of how the global seafaring labour market operates and make explicit its structure; this will be achieved by focusing on the alleged ‘shortage’ of seafaring officers.

In this chapter reflects on the research design and approach adopted to answer the questions at the end of the last chapter. This chapter is arranged in five sections: the first section provides an account of how I decided on my research topic; the second section presents my conception of the research design, providing a preliminary argument for the use of qualitative research methods; the third section discusses the various methods used to gather the data and contains a comprehensive description of my research process and data sources; the fourth section touches on my considerations and justifications for data analysis; finally, section five highlights ethical and other concerns.

4.1 My Journey towards my Research Topic

My interest in the on-going crewing crisis in the shipping industry dates from the period when I worked at the Singapore Maritime Academy. Essentially, this involved promoting maritime courses and maritime careers for the benefit of secondary school students. As with other developed nations, there seemed to be a lack of potential young people interested in a sea career. Hence, in order to attract more young people into the

industry, particularly the seafaring industry, my task (along with my colleagues) was to promote the maritime courses of the Academy and their potential career paths.

In promoting the courses, my colleagues and I informed the students (and often teachers and parents) about the Singapore maritime sector, its history and its career prospects. This was an exercise in public education (that is, providing information about the significance of the shipping industry in the economy, its significance to the lives of the public and the viability of the careers it offers). In order to make the idea of a maritime and/or seafaring career appeal to students, we also sought to ‘win over’ those who had influence over the career decisions of students, and therefore it was also vital for us to address the teachers and parents.

The difficulty in attracting new talent to a seafaring career could result in the local maritime industry facing a talent gap, especially for shore-side positions (Moreby and Springett, 1990). The lack of young people to replace retiring senior management could also change the local personnel scenario in the maritime industry. Many of these management positions include jobs in shipping management companies, the ship building and repair industry, the off-shore industry, maritime administration and port authority organisations. These positions benefit by being filled by individuals with training and experience as seafarers.

Our interactions with secondary school students revealed that there were a small number of young Singaporeans are interested in a sea career and these enrol at the polytechnic to be trained. However, it was perplexing how maritime companies seemed to lack the enthusiasm to provide sea-berths for maritime training despite there being a supposed seafarer ‘shortage’. The present situation was therefore one where few young Singaporeans are trained for the profession and even fewer have become certified officers. As a result, particular questions have arisen regarding the sustainability of the Singapore maritime industry: Why do companies appear to have a lack of interest in recruiting young Singaporeans? Does their bottom line (that is, profit) have an over-arching importance over the operations of the organization? Does the global availability of alternative seafaring labour affect their decisions for recruitment strategies?

My opportunity to answer these questions came along when I fortuitously stumbled upon the Nippon Fellowship in a newspaper advertisement. It offered the prospect of studying the topic of seafaring labour from a sociological perspective and in an environment conducive to maritime research. Here, the chance to engage in a project that would address the queries above was enormously appealing.

My subsequent choice of Singapore as a location for data collection rested on a combination of historical, economic and personal factors. The maritime industry is one of the key industries in Singapore with a rich heritage. Its success is facilitated to a great extent by the country's geo-strategic location and natural harbour, this being the primary reason for the founding of the country; the establishment of modern Singapore may be attributed to Sir Stamford Raffles, who signed a treaty in 1819 with the Sultan of Johor to set up a British port of call for its vessels. Singapore prospered as a trading post and continued to flourish in the nineteenth century during the steamship era and the opening of the Suez Canal. It also became a major port of call for merchant ships trading between Europe and East Asia along the vital spice route.

Even today, the success of Singapore's maritime business is brought about (at least in part) by its strategic location and port facilities. Its maritime industry accounts for about 7% of the Republic's gross domestic product and, in terms of flag registry, it is ranked the 6th largest ship registry in the world with regards to Gross Tonnage (IHS Fairplay, 2010); as of February 2009, the Singapore Shipping Registry consisted of 3,890 vessels with a total tonnage of 44.5 million GT. Of these, about half the tonnage (20.3 million GT) comprised tankers (that is, oil, chemical and liquified gas) and 16.9% (7.5 million GT) were bulk carriers (Maritime and Port Authority of Singapore, Singapore Registered Ships, 2009). Singapore is also the 10th largest country of beneficial vessel ownership (UNCTAD, 2009). The port of Singapore has further been ranked as the busiest in the world in terms of the shipping tonnage it handles (that is, the total volume of ships handled) since 1986. In 2008, 131,695 vessels arrived in the Singapore port, of which 30% of the tonnage consisted of tankers and 22% were bulk carriers (Maritime and Port Authority of Singapore, Port Statistics, 2009). The above ship arrival and ship registry statistics are significant as they are a reflection of the world fleet situation in terms of the proportion of vessels, where tankers and bulk carriers form the lion's share of the business.

As regards the industry's shore-based developments, it hosts more than 5,000 maritime companies, these being made up of over 100 international shipping groups, which provide an assortment of maritime products and ancillary services. Singapore is also a venue of choice for many international maritime organisations and associations, such as the International Bunker Industry Association, the International Association of Independent Tanker Owners and the Baltic and International Maritime Council, all of which have set up their headquarters or representative offices in the country. Hence, it is this rich availability of products, services and expertise that has contributed to the Republic's status as a global maritime hub.

In addition to historical and geographical influences and the Republic's status as a maritime hub, my own familiarity with the local industry was also a key factor in the decision process. As a resident, my local knowledge was an asset in the search for participants. Additionally, industry contacts (in the form of friends and former colleagues) positively influenced my ability to gain access to potential participants. These people were key to 'getting my foot in the door' of employer companies and in gaining an amiable introduction to its gate keepers.

4.2 Epistemology of the 'Shortage'

Previous studies (for example, BIMCO Manpower Reports and the SIRC Seafarers Database, 2003) on the seafaring labour market have tended to use quantitative methods. Such methods implicitly assume an ontological commitment to positions onboard ship and officers, and to a fixed correlation between them. The calculation of labour demand would be based upon a fixed proportion of shipboard roles. As such, by assuming a constant supply of seafaring officers, an increase in demand, due to the building of new ships for example, should logically lead to a tighter labour market with possibilities for rendering ships inoperable due to a 'shortage' of officers.

A fundamental weakness in this approach, however, is that it assumes a high degree of standardisation and inter-changeability of seafarers, (that is, seafarers simply become place fillers). We have seen in the previous chapter, however, that the limited evidence available suggests that this view is open to challenge.

On a more practical note, when it comes to counting seafarer numbers, State Registries do not usually keep comprehensive records of seafarer employment onboard the vessels registered under their flag. Hence, an estimate of the supply of seafarers cannot be made via the ship registry or maritime administration records.

Despite the dubiety of its numerical expression, various manpower reports have focused on the quantitative features of the seafarer 'shortage'. The report most commonly referred to in the industry as evidence for the 'shortage' is the BIMCO/ISF Manpower Report. More recently, the Drewry/PAL Manning Report has also become a popular reference for the seafaring labour scenario among maritime industry practitioners. However, the 'shortage' quantified in these reports has never been substantiated by the prevailing empirical evidence, such as vessels being unable to operate because of a lack of crew. Neither has there been exhaustive coverage (if at all) in the industry's media of major disruptions in the conduct of business due to difficulties in recruiting seafarers.

Moreover, attempts to illustrate the existence of the alleged labour 'shortage' has produced numerous accounts in the industry of the nature of the problem and has led to many suggestions from within the industry about how best to resolve the issue. Thus in the industry literature there is common reference to the need for changes in regulation and training requirements, as well as reference to issues of 'crew quality', 'P&I claims', 'reduced leave periods' and 'sped up promotions'. Despite significant coverage and discussion there is no substantial agreement on the extent of the problem or how to address it.

In this thesis, I shall examine understandings of key practitioners within the industry. The aim is to elucidate the practices and processes often reflected through language within the industry that produce and reproduce the structures that shape and organise the seafarer labour market. In this way, it is hoped that the basis for any apparent contradictions identified will be revealed and a more nuanced understanding of the 'global' seafarer labour market will emerge. As Berger and Luckmann (1967) write, the primary reference to daily life is rooted in language use, giving meaning and realism to subjectivity. In the case under examination, multiple realities of the 'shortage' are arguably created by the competing meanings in circulation, and arise from a

construction of reality through the actions and interactions of people (Berger and Luckmann, 1967). Reality is, therefore, subject to transformation, and the variety of scenarios above illustrates the plurality of meanings when practitioners in the shipping industry speak about ‘shortage’. In order to appreciate these socially constructed interpretations of the ‘shortage’, a qualitative approach will be adopted to interpret the data in order to generate insights (that is, construct the data) (Mason, 2002) rather than merely to produce a collection of facts.

4.3 Data Collection

In this project, a combination of data gathering strategies were utilised, these consist of an analysis of industry literature, in-depth qualitative interviews and group interviews. In order to address my research questions, I needed to access the understandings of those in the industry in relation to their local and embedded contexts – these key stakeholders could help me illustrate and critically scrutinise the issue of the ‘shortage’ of seafarers in the industry. I shall devote the greater part of this section to a discussion of interviews, which was my main method for generating rich data.

4.3.1 Data Sources

In order to gain a better overall sense of the situation of the alleged ‘shortage’ and the industry’s response, I carried out interviews with representatives from shipping companies and maritime organisations as well as with seafarers. In total, 35 participants were interviewed from maritime associations/organisations and shipping. In addition, 13 seafarers were also interviewed. Each of these data collection experiences will now be described separately.

Ten maritime associations/organisations, including maritime administrations, international organisations and unions were interviewed. Maritime administrations are relevant to the study for two reasons. First, they are potential employers of seafarers, these being required in their pilotage and port-state control departments. Second, they are often the government department that examines seafarers as well as being responsible for issuing Certificates of Competency, this being the professional qualification necessary for a seafaring officer to sail onboard a ‘foreign-going’ vessel. Unions are also pertinent to the research since they are engaged in collective bargaining

and are therefore conversant with issues such as employment conditions, wage levels and seafarer grievances. Further to this, international maritime organisations frequently serve as global regulators for seafaring labour, prescribing standards for the employment and training as well as certification for seafarers.

The twenty shipping companies were from Asia, Europe and North America. The age-range of the companies was broad and varied from 5 to 150 years. Four of the companies were from OECD countries (three from Europe and the fourth from Asia), and these could each lay claim to over a hundred years of history. This is logical since many traditional maritime nations are from within the OECD.

Shipping companies¹⁹ may be categorised as firms which either directly or indirectly employing seafarers (that is, they employ seafarers either directly for their own needs or for a client company that has entrusted the crew employment to them). In general, these potential employers may be placed in one of three categories: ship owning companies, ship management companies (who may manage ships on their own behalf or on behalf of other owners) and crewing agencies (that is, companies which specialise in sourcing for crew and which may have ship owners and/or ship management companies as their clients).

The individuals I approached for interviews were those I considered knowledgeable about the company's crewing situation, such as the Managing Director, the General Manager, the Crewing Manager, the Fleet Director and the Personnel Manager. However, it was impossible to target the same personnel from each company (for instance, only the Crewing Managers) because companies operate using different organisational structures.

Before beginning my fieldwork, I had intended to identify and interview companies that required seafaring labour for crewing two groups of vessels – bulk carriers and tankers. The rationale behind the attempt to identify this bifurcation was to compare the crewing

¹⁹ All shipping companies view themselves as employers of seafarers, regardless of whether they own or manage ships themselves. Therefore, even crewing companies view the seafarers they manage for client companies as their employees.

situation for these two groups of vessels based on the assumption that there may be a hierarchy of ship complexity and sophistication.

However, this turned out to be impractical, firstly, because the schema of complexity and sophistication of ships cannot be arranged in any linear manner even though some ships can be considered more complex than others. Secondly, because it is not always easy to identify the vessels in the company's fleet from its name or the description on its website; mergers and acquisitions commonly occur in the maritime industry and changes to the names of companies often accompany changes in ownership and the nature of the business. Thirdly, although most of the vessels that shipping companies own and/or manage fall predominantly into the bulk carrier or tanker categories, there are invariable other types of vessels which they also operate (such as, container and off-shore vessels). Fourthly, the business and fleet compositions of companies are constantly changing since they buy and sell ships according to the global business scenario.

My third data source was the seafarers themselves who are good references to gain insights into issues pertaining to their employment. However, it should be noted at this point that the overwhelming majority of participants from the maritime organisation/association and the shipping company groups were also former seafarers. Although they may not have been current seafarers, they could still reflect particular views from their past onboard experience. With the exception of one seafarer from Eastern Europe, all the seafarers I interviewed were from Asia, hence none of them, were from traditional maritime nations. It is acknowledged that this may present a rather partial view of the seafarers' perspective, but this data is not intended to be used on its own, merely to substantiate the main data gathered from the interviews and industry literature. Some of the issues I explored with the seafarers concerned their views about their perceived employability, the terms of their employment, and their perceptions about the alleged seafarer 'shortage'.

Clearly the interviews with the seafarers were of an opportunistic nature and were carried out because there was the chance to do so. Hence, even though they were unplanned, they produced extremely informative data which corroborated the data from

the other two participant groups as well as from the industry literature. Two of the interviews with the seafarers were conducted in groups.

Finally, in my preliminary analysis I used media reports as a source of information (that is, documents). Documents may be considered as artefacts which mainly contain written text (Scott, 1990). Additionally, they have also been regarded as artefacts of pictures, diagrams, patterns and the like, which may be derived from public, private or personal sources (Prior, 2003). Clearly, they are not produced for the benefit of research but come about as a natural consequence of particular social situations (Payne and Payne, 2004). The usefulness of documents in research is that they can transit time, since they have the quality of being able to exist independently of their creators (Scott, 1990). As a result, they are useful as historical evidence of social behaviour. Because of this, media reports may be used as an active data source to illuminate a sequential history of the labour 'shortage'. More will be said about their 'active' nature in the following section (4.4.1).

The documents I analysed were reports from the Lloyd's List newspaper, a UK-based maritime newspaper which has as its audience the 'global shipping community'. The main objective of the newspaper is to provide information to its readers in order to aid operational and/or business decisions. Although the Lloyd's List declares it has a global network of reporters, these appear to be mainly composed of Europeans. Hence, neutrality of viewpoints may be affected.

4.3.2 The Interview

Interview Access

Of the seventy-two companies and organisations approached, very few voluntarily replied, either positively or negatively. Most of the interviews were initiated by letter and/or an email, usually to one or more personnel members, such as the Director, the Fleet Director or the Crewing Manager. A significant number of the interview appointments were obtained either via personal contacts and/or by going to maritime social events to network and meeting new people. Clearly, the personal referral of respondents generated more cooperative informants. Hoffman (1980) discovered that

selecting informants based on her personal connections produced respondents who were more forthcoming in their responses. She then asked these respondents to direct her to other informants. It was therefore my strategy to employ snowball sampling through personal contacts in a similar manner in order to acquire more accommodating respondents. This research technique works like a chain referral where respondents are recruited through informal contact – so respondents are asked to refer people they know who fit the requirements of the research study. Although this sampling procedure has usually been used to identify potential participants, who are otherwise difficult to reach or identify (such as populations of HIV patients, the homeless or drug addicts (Faugier and Sargeant, 1997; Morrison, 1988), it could be applied to the participants in the shipping industry. Even though shipping company participants were not difficult to locate, they tended to be a little elitist, small in number, and ‘hard’ to reach because of their busy and changeable schedules. These elite participants can often help to establish access to other potential respondents to help the snowballing process (Richards, 1996). Hence, I had hoped that by asking participants to recommend other participants, I might be able to use their referrals and the familiarity of their names as a platform to secure interviews more easily. Notwithstanding this, most of the interviews did not yield additional participants through the process of snowballing. Personal contacts did prove helpful but it was not always easy to generate positive outcomes by directly securing interviews. However, a snowballing of sorts resulted when I met with personal contacts who would introduce other contacts as referrals for interviews or who would be able to put me in touch with a potential participant.

Access was not merely a matter of gaining entry into the setting or the company but was in many ways ongoing (Bryman, 2001). Even when I was ‘in’, I still had the task of gaining ‘further’ access to individuals within (that is, building rapport with personnel in the organisation who I had already gained access to). Establishing such relationships was important so that potential informants would consider me sufficiently credible to talk to. This included considering how I would dress, since attire can set the mood and tone of the interview (Stone, 1962); moreover, the level of rapport can affect the quality of the data collected.

In many instances, access was not easy or simple; it was often the case that more than one point of contact had to be established for each company or organisation before

access was successfully gained, if at all. Frequently, the initial person contacted did not respond to my email and I had to follow this up with calls to an assistant, a secretary or another manager. On other occasions, these follow up calls resulted in referrals to 'a more relevant person', and, in one case, more than five points of contact were generated, but even then I did not manage to gain access. On a more positive note, some affirmative replies came through spontaneously and immediately after my initial request. This served as encouragement for my efforts and pushed me to press on with securing further interviews. I was fortunate that my fieldwork progressed with relatively few problems. However, owing to the limited amount of time I had at my disposal, I was not able to recruit as many potential respondents as I would have liked. Additional respondents would have generated data that would give a broader representation of shipping companies and seafarers.

As a general rule, the shipping companies tended to work on a schedule that was rather swift, at short notice and impromptu. This was noticeable from their remarks about their availability – my follow-up calls were frequently misinterpreted as requests for an appointment that very day. There were also several occasions when they would suggest an available time for an appointment on the day or very soon after. Similarly, some of my appointments were postponed at short notice, sometimes within hours of the intended meeting.

There seemed to be a general tendency for most shipping company participants to grant interviews with some degree of wariness, either with some suspicion about what information was expected of them or doubts about the usefulness of their own contribution. Both of these were dealt with by giving extensive explanations about the project and my ethical obligations as well as sending additional information and sampler questions ahead of the appointment. It was also not uncommon for participants to highlight a disclaimer about the views they expressed, referring to these as personal opinions and not a reflection of the company they work for. In general, a more positive response was gained from participants from maritime associations or organisations, both in terms of gaining access as well as their receptiveness to my questions.

Most of the shipping company participants who I interviewed may be considered 'elites' or 'top strata' in the shipping industry. In practice, elite interviewing is used to

focus on the politically and economically distinguished. However, the whole concept of elites encompasses those who occupy a privileged position in society as well as those who are less accessible and aware of their own importance (Richards, 1996). The advantage to interviewing such individuals is the insight they are able to provide into the viewpoints of actors in the industry who have played a part in shaping the understanding of the seafarer 'shortage'. Elite interviews can give substance and meaning since these individuals are in a position to provide insights afforded by their influence and prominence (Hochschild, 2009). From the large number of negative responses I received from shipping companies, I could identify two reasons for difficulties in gaining access for my interviews. Firstly, I tried to target the upper management staff of shipping companies (that is, mainly Directors and Fleet Managers) most of whom were extremely busy people who were often away. Consequently, if I was successful in getting an interview with the company, it was usually with someone lower down the ranks. Secondly, I was often met with suspicion and requested to provide more clarification about my project, identify the organisation I was representing and communicate via an apparent gate-keeper; this gave me the impression that particular organisations were hesitant to reveal their operational procedures.

The Structure and Conduct of the Interviews

The main purpose of the qualitative research interview is to appreciate the significance of what the participants say, both on a factual and semantic level (Kvale, 1996). I had to decide among a variety of qualitative interviews, such as in-depth interviews, life stories, oral histories, and investigative interviews (Rubin and Rubin, 2005; Gubrium and Holstein, 2001), each of which may vary in form from unstructured, semi-structured or structured interviews. The structured interview has its advantage in generating standardised data that is easily verifiable and comparable. However, the controlled manner in which questions are asked forms its disadvantage, in that it would not allow me to explore issues that were not anticipated during the creation of the questionnaire. Hence, I did not choose to use this format where questions are carefully and comprehensively developed in advance and then administered to each participant in a particular and standardised way.

Conversely, the unstructured interview allows participants the free expression of their story so as to generate as much depth of information as possible (Gubrium and Holstein, 2001). The configuration for such interviews usually indicated informal conversations with no predetermined questions. As a result, the unstructured interview tends to generate a rich mass of data but which may require a fair amount of analysis to give form to. It is useful for exploring issues or areas which are lesser known. In this way, they are useful as preliminary research tools since they can be utilised to gather a significant amount of information in a short period of time. This method was also abandoned as it did not fit with the kind of data that I was looking to generate.

After careful consideration, I decided on a form of interview which would afford me some structure by utilising an interview guide of pre-formulated questions but at the same time allow me greater flexibility to explore the ideas and issues which emerged during the interview. For these reasons a mid-way alternative to both the structured and the unstructured forms of the qualitative interview was chosen. The semi-structured interview would allow me to steer the interview with a form of specific interview schedule, while allowing me the flexibility to explore unanticipated lines of enquiry. For my purpose, the semi-structured interview was the most suitable for ‘constructing’ data (Mason, 2002). This would generate insights rather than merely ‘excavate’ a collection of facts, since the aim of this thesis is to use the industry’s construction of its knowledge of the ‘shortage’ to build a holistic understanding of the global labour market. Hence, a semi-structured interview would help to draw out different perspectives since such interviews

. . . provide a greater breadth of data than other types, given their qualitative nature (Fontana and Frey, 2000: 652).

These interviews facilitate a broader range of information via the use of open-ended questions, so encouraging respondents to develop and expand freely on their descriptions. In this way, the flexibility of the semi-structured interview would not confine me to a strict sequence of pre-planned questions. Although this type of interview uses a framework of questions, I was free to vary the sequence of questions and to probe into issues without prior planning. This flexible format allowed me to

pursue unanticipated lines of thought that arose during the interviews, so allowing for the gathering of rich and in-depth data.

Moreover, the adaptability of the semi-structured interview is such that it can be varied and tailored according to a range of situations (Bryman, 2001). This approach is favourable for interviewing the upper management from shipping companies as well as other personnel since it retains a suitable formality, but is sufficiently flexible to gather rich and detailed information (Rubin and Rubin, 2005). The quality of my data would depend on my ability probe and encourage new lines of enquiry by making 'on-the-spot' decisions throughout the interviewing process (Mason, 2002). As new lines of enquiry arose, I was able to alter the direction of my interview to acquire greater depth of information. This semi-structured approach was also practical for seafarers who were more responsive in an informal setting. In this way, the interview was a co-construction of the interviewer and the respondent, allowing either the interviewer or the respondent to guide the direction of discussion as impromptu themes emerged. Its relative informality put respondents at ease, encouraged explorative conversation and elicited better input from them. Further to this, it provided an opportunity for informants to relate their input in an unhindered manner.

For these semi-structured sessions, I interviewed a total of 36 respondents and recorded 33 interviews. The total duration of these interviews was about 43 hours. Of these 10 were respondents from maritime associations and organisations, 25 were shipping company respondents, and 1 was a seafarer. I used a digital voice recorder to tape the interviews and this allowed me to focus on what the participants were saying and to think about the next question in order to steer the interviews. On average, each of my interviews lasted between one and one-and-a-half hours, but a handful lasted two hours or more. The majority of the interviews were conducted in quiet conducive settings, such as meeting rooms and personnel offices. However, a few were conducted in cafes, where there was considerable background noise. On a few occasions, the interviews were disrupted by phone calls, office personnel / office matters and seafarers. In several cases, the participants left the interview room to attend to a particular matter before returning again. In one case, the interview had to be postponed while the participant attended an urgent meeting; this was then resumed about two hours later.

With the exception of one participant, I did not have any trouble obtaining permission to record the interviews. Nearly all the participants gave their consent to the request to record without hesitation. Notwithstanding this, I was always careful to explain the various ethical considerations before I asked for permission, especially if I sensed that the participant may have been apprehensive. With regard to my ethical obligations for anonymity and confidentiality, most of the participants seem reassured by my elaborated and protracted explanations, while a few were not at all concerned, ‘waving’ aside my attempts to explain the matter.

The interview data was supplemented with visual observations and contextual information. To this end, I kept a fieldwork journal which filled a 150-page notebook which I filled with observations and insights about the interviews. These records were noted down immediately or as soon as possible after each interview. These were notes about the physical events and surroundings connected to the interview as well as any impressions I might have had about the people or my own performance on any particular day. Some handwritten notes were also taken in all the interviews. The advantage of this is that such records can be used in combination with other sources of data (Rubin and Rubin, 2005). Re-reading these notes also helped put me back in the context of the interview and facilitated my analysis of the data. They allowed me to recall the atmosphere in which the participants gave their responses and provided a nuanced interpretation of the data.

4.3.3 Group Interviews

Besides the individual interviews which I conducted, I also made use of group interviews. This interview technique has been adapted from market research for use in social sciences (Morgan, 1996). The main advantage of groups is the purposeful use of group interaction to draw out information in order to obtain data (Kitzinger, 1994; Morgan, 1996). In general, group interviews are defined as being relatively small and with participants who are similar in some ways (Patton 1987; Krueger and Casey, 2000); they are able to generate robust data via the participants’ reflection of the interviewer’s questions within a given social context. Here, participants give their views as well as offer further responses based on the views of the group (Morgan, 1997; Patton, 1987). There is also a synergistic effect, since participants listen and

interact with each other and the interviewer, so yielding a different type of data than if they were interviewed individually. One major advantage of group interviews is that they are a quick way of generating a wealth of qualitative data in a short time. Although the interviews with seafarers were ad-hoc and when the chance to speak with them presented itself, I tried to exploit the benefits of the opportunity by using this method to maximise the limited time that I had. Therefore, I was very happy to have been able to include the 13 seafarers in my interviews, though I would have liked to have interviewed more of them since I felt that their views would be under-represented. Even though the ad-hoc interviews were only with a small number of seafarers, their views were important in corroborating the data from shipping companies and maritime organisations.

My seafarer group participants were recruited with the help of a shipping company participant and a friend at a maritime school. Two seafarers were recruited when I arranged to interview a shipping company participant, who offered to allow two of his senior officers to be interviewed on the same day. These officers were due to come in on the day of the interview for a briefing at the office before they were due to go onboard to start a new contract. They were interviewed together because of time constraints – they had limited time at the office before their transport was due to take them back to their hotel. Two groups of seafaring officers (studying for their senior level certification) were recruited at a maritime school. One group consisted of deck officers, while the other was made up of engineer officers. The first group was originally organised with 4 individuals representing various countries. However, at the actual session, only two of the originally recruited turned up. They brought some of their friends (possibly for moral support) – and although the final number was 6, the number of representing countries declined from four to two. The second group was arranged with 4 members and although all four turned up, one of them left mid-way through the interview.

In carrying out this method of data collection, an over-recruitment (between 10-25%) of participants is recommended (Kruger and Casey, 2000) since one of the limitations is the problem of non-attenders. This occurred in the first group interview when two of the originally recruited participants did not show up, and in the second group when one participant asked to be excused to attend to a pressing personal matter. Additionally,

the interviewer should be alert to the likelihood of the discussion being sidetracked or dominated by a few vocal individuals. There was some semblance of such dominance in both groups as the more articulate and those more fluent in English tended to speak more. However, I observed that the views of the more outspoken also served as encouragement to those who were not only less articulate but shy as well.

4.3.4 The Industry's Literature

It was decided to systematically examine this grey literature²⁰ from the industry to gain particular initial insights and assess the prevailing rhetoric of the 'shortage' in the industry. A preliminary analysis of the industry literature was therefore undertaken to identify the different ways in which the apprehension of the 'shortage' could be revealed. It considered the industry's rhetoric of the situation, this shaping our perceptions in the same way as the theories or concepts learnt from youth (Benton and Craib, 2001). Such rhetoric predicates our understanding of reality and may be employed as a way of comprehending social language through an investigation of spoken and written communication.

I examined the contents of over 200 newspaper articles from the Lloyd's List electronic newspaper. Before embarking on the analysis, I conducted a quantitative survey of articles from three electronic news sources. These were Lloyd's List (a major daily maritime newspaper), Fairplay Shipping News 24 (a web-based daily news centre), and Nexis UK (a comprehensive database of newspapers and other print media in the UK). A search for articles containing the term 'shortage of seafarers' was carried out in the electronic archives of these three news sources for each calendar year from 1989 to 2008. The results of this initial survey enabled me to observe the pattern in which articles about the 'shortage' were being produced and to decide which sets of articles to focus on. As a way of verifying the frequency pattern, a similar quantitative survey was carried out for the terms 'shortage of maritime manpower', 'manning crisis' and 'manpower crisis'. These produced similar patterns in the frequency counts.

²⁰ There is a wealth of newspapers and magazines in the industry which many of the industry players use to keep abreast of developments and events. These are considered in this thesis as grey literature.

A decision was made to focus on the articles for the years which showed a peak in frequency counts. These were 1991-1992, 1997, 2001 and 2006-2008. It should be noted here that although a count of articles with the search term 'shortage seafarers' numbered 457, only about 200²¹ articles had relevant content about the 'shortage' of in the context of seafarers. I then approached the analysis of the industry articles by first performing a content analysis, identifying a number of key themes and then scrutinizing these themes for any links they might have (see Strauss, 1987; Strauss and Corbin, 1998).

4.3.5 Reliability, Validity and Triangulation

Data validity is vulnerable to researcher bias in terms of how the questions are framed, the manner in which they are asked and the interpretation of the responses. In qualitative research, reliability (that is, consistency and replicability) and validity (that is, fitness for purpose) are often not differentiated. Golafshani (2003) points out that 'although reliability and validity are treated separately in quantitative studies, these terms are not viewed separately in qualitative research. Instead, terminology that encompasses both, such as credibility, transferability and trustworthiness, is used' (p. 4). Hence, reliability and validity in qualitative studies cannot be understood in the same way as in quantitative studies (Guba and Lincoln, 1994). Rather, it is preferable to speak about thoroughness and soundness of research as appropriate categorical tools. Here, rigour and soundness in qualitative research concerns eliminating researcher bias, often with the use of triangulation – a technique that mixes the use of multiple data sources and methodologies so that through diverse viewpoints, a singular representation can be derived from the investigation of a topic (Golafshani, 2003; Denzin, 1978; Bryman, 2004). Triangulation prevents the researcher from overly depending on any one method. In this way, triangulation facilitates the checks for convergent validity in the findings by cross-checking multiple data sources and methodologies (Bryman, 2004). However, Bryman (2004) also warns against a naïve realist position that may accompany the interpretation of findings from the use of triangulation. That is, the

²¹ Although the actual search for the terms 'Shortage Seafarers' generated 457 articles, after carefully sifting through them for repeat articles or repetitive information from separate articles, and eliminating those lacking relevant content on the shortage issue other than a mention of the terms 'shortage' or 'seafarers', just over 200 articles were able to be properly analysed.

inclination to conclude that convergent findings can be taken as being definitive of the social situation as it may be that one or more methods used are flawed.

I employed two main data collection methods (that is, interviews and documents) from various data sources (that is maritime organisations, shipping companies, seafarers and media literature). By triangulating the data from the various methods, I was able to cross-reference the information and compare data across the documents and the interviews. The documentary analysis which I carried out on the industry literature helped to inform my design of the interview guide. In addition to this, the responses of the participants showed some reciprocal influences of their opinions with media literature. While their references to information in the media alluded to how their opinions might have been partially shaped, their input at international meetings and/or conferences would also have had a reasonable impact on the media. Most of these meeting and conferences receive coverage from the media. Some of the industry participants often express their opinions to the media as representatives of companies and/or organisations. In this way, the interaction between media reports, industry practitioners, and institutions may be observed. Hence, it is possible to see how actively and intricately human and non-human actors impact upon each other in a cyclical network of relationships.

4.4 Data Analysis

There were two stages to the data analysis. Before the fieldwork, I had collated particular sets of the industry's news articles from various online news sources (This will be described in Chapter Five). This enabled me to collect data from various media as background information to discussions about the industry and the present situation. This analysis also allowed me to formulate a series of semi-structure interview schedules for the maritime organisations, shipping companies and seafarers before going into the field.

Data analysis is fundamental to my research here. Keeping the purpose of the study firmly in mind through the analysis process (Krueger and Casey, 2000), helps to facilitate the management of the data. It allows the researcher to eliminate any excess

and irrelevant material, so enabling him or her to navigate a large body of information and give meaning to the data.

Besides the main data generated by the recorded interviews, the grey industry literature and my field notes (which capture reflections about the interview, the settings and observations of non-verbal behaviour) added a valuable dimension to my analysis and construction of the data. Such additional dimensions were especially significant when analysing the group interviews, which should be understood in the social context of the group setting. In carrying out the data analysis, there may be a degree of bias arising from an interaction between the researcher and the data. The bias may be intrinsic in the researcher's selection and interpretation of the data (Strauss and Corbin, 1998), but this may be minimised by using a trail of evidence (Krueger and Casey, 2000) which is the use of sufficient data such that the study's conclusions may be independently verifiable by another researcher. The use of a variety of data would help to mitigate any inherent bias that may exist. Bearing these in mind, I tried to carry out my data analysis in as methodical and reasonable a manner as possible.

4.4.1 Documentary Analysis

In my documentary analysis of the grey literature, the text and content of news articles from the electronic archive of Lloyds List newspaper, which referred to the 'shortage' of seafarers for the years 1991-1992, 1997, 2001 and 2006-2008 were examined. The quantitative aspects of the content were largely relevant in the sense that the words which appear with greater frequency will be perceived as being more meaningful and are therefore deemed to hold more importance. While the content analysis of documents remains an important part in documentary research, I avoided paying too much attention to meanings within the texts and redirected attention to their relationship within a network of people, institutions and objects.

The common position of most social research holds that documents are static containers of information and it is human agents who wilfully excavate their contents for their own use. The main contention is that they serve solely and passively as sources of evidence (Scott, 1990; Hodder, 2000; Bryman, 2004). However, an alternative argument is that documents are active sources of data that have the ability to interact

with human agents and social institutions. Prior (2003) argues that that documents are fundamental to the social research process because they have agency (that is, they transmit ideas and affect the course and nature of human activity). They should not be treated merely as containers of content (that is, of words, images, information, instructions, and so on). He further argues that documents have a mutually dynamic relationship with human agents – in as much as they can impact on human agents and human agents, in turn, can impact on them. Hence, documents can be manipulated products of human activity, but are also consumed by human agents.

The object of the analysis of these articles was to determine the industry's general rhetoric on the 'shortage' of seafaring labour via the print media. The reports are pieces of the past and must be examined and interpreted in the context of history. Here, the content of the articles, how they were expressed, and the context in which they were expressed were significant. These conveyed the experiences of the industry and indicated the degree of severity of the crewing crisis. Most importantly, the data from the industry media supplemented the data collected from interviews and form an inclusive representation of the industry's experience of the 'shortage' of manpower and the underlying factors behind this.

4.4.2 Interviews

All the interviews were recorded using a digital voice-recorder and then downloaded onto the computer for subsequent transcription. The majority of my 'shipping organisation' and 'shipping company' participants either spoke English as their first language or were sufficiently articulate in the language to comfortably express their thoughts and opinions in it. A significant number of the seafarers interviewed (from the Far East and Eastern Europe), however, did not have a comfortable grasp of the language to express all that they wanted to say, and transcribing these interviews was, therefore, a little harder. I transcribed the interviews myself even though it might have been faster to engage the services of a professional transcription specialist. This decision to proceed with the exercise of transcribing the interviews gave me the opportunity to familiarise myself with the data and allowed me to interact with it prior to analysing it. The transcription for each interview was time-consuming, especially for those held in noisier environments and for the group interviews. These had to be

repeatedly replayed in sections during the transcription to determine what was said. This difficulty was especially pronounced with the group interviews, for at times it was difficult to distinguish between the voices of the participants. On an average it took about 7 hours of transcription time for every hour of interview.

While transcribing the interviews, I was able to identify some preliminary themes and to create a list of codes for use in the NVivo data analysis software. This list was dynamic as well as changeable, and expanded as I progressed along the transcribing and analysis process; it also changed in its description and breadth. I chose to transcribe my interviews in stages, alternating it with analysis. The first set of transcriptions was for the maritime organisations and associations group, followed by those for shipping company participants and the interviews for the seafarers.

The codes were entered using the NVivo 8 software. Here, the interview transcripts were imported into the programme and then 'dissected' for the assignment of codes. In this way, relevant sections were sorted in coding categories. The approach that I took when analysing the interview data was to categorise them into themes and then cross-compared them. Moreover, while scrutinising the transcripts for various aspects of the 'shortage', tentative codes were assigned to sections of transcripts as part of the process of the analysis (Coffey and Atkinson, 1996). Although the data was examined to fit similarly themed sections to particular codes, these codes were not exclusively linked to sections and some sections were assigned more than one code. Initially, the codes were generally applied to relevant sections, but as the data analysis progressed they became more detailed. When the coding had been completed, I systematically compared sections of each code and examined them for cross-thematic links and patterns. At this stage, any segments which did not fit the codes accurately were either relegated to a sub-code or a new one was started. The cases that occasionally seem to be contradictory (for instance, opposing opinions of whether the 'shortage' is set to worsen) were important to guide the modification of the initial analytical themes. The value of the assistance of computer software for analysing qualitative data cannot be overstated since the programme makes the laboriously sorting out of a large amount of data and information manageable. It also makes the exercise of organising, coding and categorising data easier and more effective.

4.4.3 Reflexivity

Unlike quantitative researchers who typically attempt to dissociate themselves from the research process ‘qualitative researchers have come to embrace their involvement and role within the research’ (Golafshani, 2003, p. 4). In fact, such is the importance of reflexivity in qualitative research that the researcher is encouraged to be aware of how his personal values, methods, biases, and so on, affect and react to the social context around him/her. Almost all of the personnel I interviewed were individuals in positions of power (that is, managers, directors, and the upper management staff of shipping companies, maritime authorities and unions). Interviewing the elite presented the possibility that they, rather than I would be in control of the interview session. However, this did not materialise in the manner I had envisaged. Although in general, I was able to direct and guide the flow of the interview, I was subjected to their working schedules and priorities – meaning that, the interviews sessions were subject to many kinds of interruption, such as phone calls, email alerts, office matters, impromptu meetings and drop-in social calls from seafarers or industry contacts.

Even though I was acquainted with some of my participants, I was still considered by most others as an ‘outsider’ who is neither from the industry nor a former seafarer with personal experience concerning employment at sea. However, the vantage point of being an ‘outsider’ makes it easy to form an unbiased representation of a situation (Bryman, 1988). Moreover, my gender may have been an advantage (Pilcher and Coffey, 1996; Jarviluoma, et al., 2003) in the research process. The maritime industry is still considerably male-dominated and this was reflected in the nearly all-male ‘elite’ participants that I interviewed (with the exception of one female participant). Consequently, my informants were mostly indulgent and patient in their explanations to me (as a woman) about the situation.

As a researcher, it was important that I maintain an awareness of my position in the data analysis process. Here, Fontana and Frey (2000) warn against the danger of trying to maintain researcher neutrality in the understanding and deciphering of data: ‘Many studies using unstructured interviews are not reflexive enough about the interpreting process; common platitudes proclaim that the data speak for themselves, or that the researcher is neutral, unbiased, and ‘invisible’’ (Fontana and Frey 2000, p. 661). Any

preconceived ideas that I had about the alleged labour ‘shortage’ would have had a bearing on how I conducted the interviews and how I interpreted the data collected. The researcher must come to terms and recognise his/her own influence on the data, although this makes the nature of data analysis both problematic and complicated. I was aware that all the knowledge that I had acquired through my reading and speaking informally with individuals from the industry was constantly forming and reforming an impression of the labour market in my mind. I was also conscious that this constantly changing representation of the labour market impacted upon me throughout the research process, from the way I carried out my interviews to prejudicing the answers I was looking for. To deal with this issue, I tried (as much as possible) to remain cognisant of this pre-disposition and consciously endeavoured to look for other perspectives.

4.5 Ethical and Other Concerns

The research project was carried out with due regard to the ethical practice guidelines specified by the British Sociological Association (BSA, 2002) and the requirements of the Cardiff University School of Social Sciences’ Research Ethics Committee (SREC). In accordance with the rules of the university, official approval was sought from SREC to whom I submitted my application together with my research proposal and an outline of my methods. On 7th Jan 2009, the committee granted approval for me to proceed with my project. This approval was exceedingly helpful for obtaining the consent of the participants to record the interviews. It also gave the participants the assurance that the university held the researcher and supervisors accountable for the manner in which the project was being carried out. In addition, the necessary security measures (as stated in the guidelines of the Data Protection Act (1998) of Cardiff University) the recordings and transcriptions of interviews would be stored electronically and under ‘lock-and-key’ and the participants’ names would be made anonymous from the beginning of the data collection through to its transcription and analysis. My data (recordings, transcripts and fieldnotes) were kept in locked cabinets in my student office. The recordings and transcripts, which were anonymised, were kept separately from my fieldnotes.

Kvale (1996) indicates that ethical problems can arise throughout the various stages of the interview. With respect to data collection, he stresses that difficulties with confidentiality should be re-clarified in the interview even if informed consent has already been secured. Confidentiality was of the utmost importance in my interviews, given the secretive nature of the maritime industry (Bijwaard and Knapp, 2009). I therefore anticipated that the participating companies might be extremely cautious about divulging certain information for two main reasons. First, competition can be keen when sourcing for limited seafaring labour ; here, crewing strategies may be a closely guarded issue. Second, the shipping community tends to be small and companies may feel that disclosures of information would not stay confidential for very long. Hence, matters of confidentiality or the companies' 'right to control information' (Kent, 2000, p65) made it necessary for me to be tactful when obtaining access.

During the process of gaining access for my interviews, I provided the potential participants with details of my project through emails. Moreover, before conducting the interviews, the first five minutes were mostly used to explain the project to the participants, to provide an information sheet and to iterate confidentiality and anonymity issues. After this, I secured their informed consent for the interview and asked permission to record their dialogues.

There were a number of exceptions to this planned sequence of events in some of the interviews, which began on what seemed like an instantaneous note. At the first meeting or introduction, the participant would start to talk spontaneously about matters that he/she considered relevant to my project. When this occurred, there was neither the time nor the opportunity to introduce the project's objectives properly, nor to make briefings about ethical responsibilities. When this took place, there was also no opportunity to obtain consent before the interview. Therefore, consent was obtained later in the interview at a point when I thought it to be appropriate to request it. However, some participants did not appear to be concerned about the issue, and in such instances, agreement to the interview was taken as to be consent.

Preserving the anonymity of the participants and their respective organisations or companies is crucial for a relatively small but global industry. Therefore, during the transcription stage, concealing the identities of the participants as well as the names of

their organisations or companies was a primary concern. The participants were allocated numbers and the group to which each one belonged was identified for the data analysis.

In terms of the possible harm to participants, seafarers may be particularly vulnerable to being blacklisted by their employers should they be identified as disgruntled troublemakers. Thus, rapport and assurances of confidentiality and anonymity of their information was of prime importance. However, since the majority of the seafarers I interviewed were not sourced from the shipping companies where I conducted the interviews, the danger of this potential harm was unlikely.

Summary

The methods proposed in this chapter were purposefully chosen to collect comprehensive data that could help to address the proposed research questions. Here, data was considered from both human and printed sources of information. A multi-modal approach was utilised to collect data through various types of interviews and grey literature. The triangulation of these different forms of data was intended to give validity to research findings. Here, the industry literature provided a general sense of the ‘shortage’, while the interview data collected from different sources of maritime personnel produced more detailed elaborations of the perceptions about and reactions to the ‘shortage’.

By performing a substantial analysis on the industry literature, valuable data was excavated which helped to provide an initial impression of the crewing ‘shortage’ in the industry. Alongside the data gathered from the interviews in organisations and companies, the preliminary analysis was primarily used to build the narratives in Chapters Five and Six which address the questions about the perception and experience of the ‘shortage’, as well as the coping strategies employed by the industry. The chapters therefore set out the industry’s experience of the crewing crisis, outlining various depictions of the labour ‘shortage’ and the corresponding human resource concerns linked with it.

The interview method was the principal means of gathering data from the various stakeholders in the industry. Moreover, using individual and group interviews, I was

able to garner valuable information and insights through the participants' accounts of their experiences with recruitment and employment matters and the ways in which they conceived of the issues of recruitment, retention and the labour 'shortage'. This data was particularly important for the discussions in Chapter Seven and Eight, which consider the segmentation of the global labour market.

Finally, Chapter Nine is a discussion chapter, which places the experience of the seafaring labour 'shortage' within the perspective of a global labour market, and shows the link between the relationship of the seafaring labour situation and the segmented nature of the labour market. Chapter Ten is a concluding chapter that discusses some final reflections on the importance of the findings, limitations of the study and areas for further development of research.

CHAPTER FIVE

A Preliminary Analysis of the Industry

Literature

Introduction

This chapter presents findings from a preliminary analysis of electronic publications, primarily those from the maritime media. It shows how opinions in the media and from industry practitioners are intricately linked in a cycle of events that perpetuates the labour ‘shortage’ argument. It examines the text and content of news articles from Lloyds List which refer to the ‘shortage’ of seafarers for the years 1991-1992, 1997, 2001 and 2006-2008. Through the media articles, we are able to gain an understanding of the industry’s perceptions of the labour ‘shortage’. The purpose of this chapter is therefore to identify particular interpretations of the ‘shortage’ which exist in the industry via media reports before going into the field to collect data. This preliminary knowledge enabled me to engage in the fieldwork with an informed sense of the labour situation.

Chapter 5 is organised in the following order: It will first describe the process which led to the decision to examine the articles for these years. The following section will present an overview of the findings with regard to the characteristics of the ‘shortage’ and the third section will discuss some of the circumstances that have aggravated the labour situation. The fourth section continues with a discussion about possible subcategories of seafaring labour – it will explore the axes of segmentation that are discernable within the literature and establish how these can be explored through qualitative work. The fifth section presents two recurrent threads in the media data which nuance the segmentation in the labour market. The final section makes particular observations about how the current economic crisis is impacting upon the labour situation.

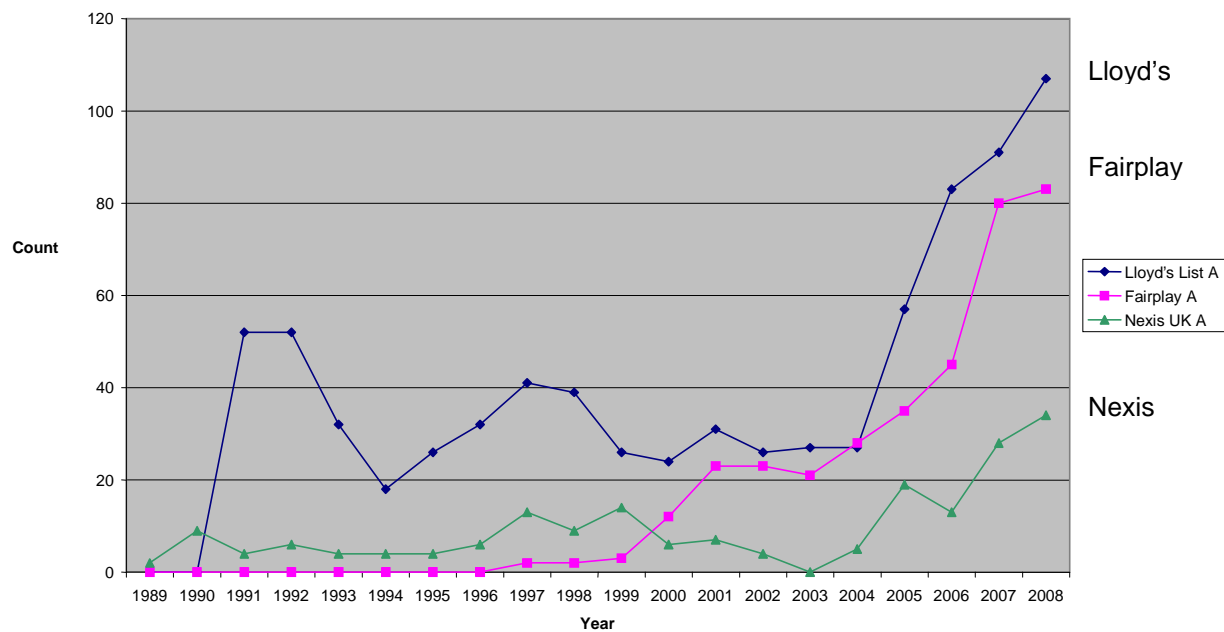
5.1 Background to the Grey Literature Analysis

5.1.1 An Overview

The aim of looking at the grey industry literature (see Footnote 20, p77) was to obtain an informed sense of the crewing situation before the commencement of my fieldwork. An inquiry was first made into the general frequency of the articles referring to the ‘shortage’ of seafaring labour from three online newspaper archives: Lloyd’s List, Fairplay, and Nexis UK. Lloyd’s List and Fairplay are very well-read news sources in the global industry. Lloyd’s List is a major daily newspaper which covers the news in the global maritime industry and has been published regularly since 1734 (making it approximately 276 years old), although its history began much earlier as a weekly newsletter. It is now available in print as well as online, and its print circulation is estimated to be about 60,000, excluding its online readership. Fairplay Shipping News 24 is a web-based news centre that delivers the latest international maritime news and is updated daily. Although it is not as old as Lloyd’s, the company has an editorial heritage of about 125 years. Nexis UK is a comprehensive database comprising all the national newspapers in the UK, regional newspapers, international news sources, as well as a number of trade newspapers, journals and magazines. Nexis UK was chosen in the hope that the database might be able to provide a balanced mixed of articles about the crewing situation from a variety of media sources. However, the search of the database was only able to produce a relatively small number of articles concerning the ‘shortage’.

A search using the key words ‘Shortage Seafarers’ was performed on all the above online news archives for the period 1989 to 2008 and a count of articles in each year with references to ‘seafarer shortage’ was taken for each archive, and subsequently charted in Figure 11.

Figure 11 Frequency of articles for ‘Shortage Seafarers’ from 1989 to 2008 for the three electronic media archives

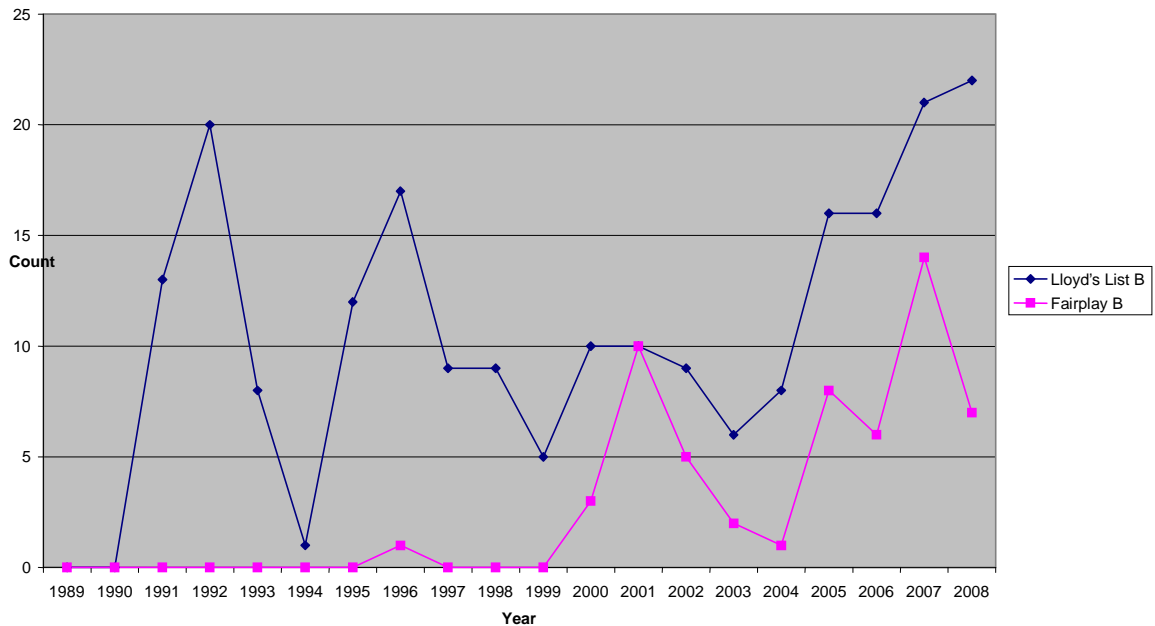


Although there were slight variations for the earlier period, the plotted graphs show a very similar trend for the last five years (2004-2008) of all three archives. The line for the Lloyd’s List²² archive shows peaks in the count of articles for the years 1991-1992, 1997-1998, 2001, and a rather sharp increase between 2004 and 2008. Although the graph for Fairplay did not reflect the same peaks, it registered and maintained a high from 2001 and then a similar steep rise between 2004 and 2008. The Nexis UK line showed small peaks for the years 1990, 1997 and 1999 but then manifested the same general rise between 2004 and 2008.

As a means of verification, the same process was also carried out for the key phrase ‘Shortage Maritime Manpower’. This resulted in a lower count of articles, but the resultant graph shows similar peaks in frequency for the years 1992, 1996, 2000-2001, and a corresponding rising trend between 2004 and 2008 (See Figure 12).

²² The electronic paper for Lloyd’s List is only available from 1991 onwards.

Figure 12 Frequency of articles for ‘Shortage Maritime Manpower’ from 1989 to 2008 for two electronic media archives*



* the search for the third electronic media did not return any results

5.1.2 Justifying the Epistemology

A count of the number of articles through the years is useful to capture an initial ‘sense of patterns or frequencies of meanings across a large sample of texts’ (Richardson, 2007, p21), which can then be used to form a ‘discursive representation’ of the data. The graphs reflect a temporal history of the ‘shortage’ through the eyes of the media. However, frequency alone is not an adequate indicator for the existence or the severity of the ‘shortage’. If the data were to be approached solely from a content analysis perspective, the assumption would be that this quantitative description is in itself significant (Berelson, 1971) for the ‘shortage’ situation. It may then be interpreted solely from the graph that the ‘shortage’ situation was particularly critical in the years where the number of reports reached an apex. Further, it might also appear that in the years following 2004, the ‘shortage’ of seafaring labour escalated to a crisis level. While these interpretations may be reasonable, it should be noted that this quantitative description of content by itself is not sufficiently meaningful as it does not take into consideration the context in which these articles have been produced.

Context is ‘extra-linguistic or extra-textual’ and is often overlooked in quantitative content analysis (Richardson, 2007). Here, it is possible that the publication of the BIMCO Report or other equivalent manpower reports may have fuelled the media’s interest in the issue of the ‘shortage’ and may therefore have generated waves of articles. From my examination of the subject matter in the articles, it is reasonable to say that the proliferation of articles was partly influenced by the numerous manpower conferences organised in the industry. The interconnectedness of manpower reports, conferences and seminars and the generation of news articles is diagrammatically represented below (Figure 13). It illustrates the situation whereby a discursive relationship between the manpower reports, industry meetings and media reports may combine to form what might be termed the rhetoric of the ‘shortage’.

That manpower reports created an awareness of the ‘shortage’ situation as can be observed after the publication of the first BIMCO Report in 1990 when there was a sudden increase in the number of news articles generated. Some of these articles presented opinions of practitioners in the industry who debated the existence and seriousness of the seafarer ‘shortage’. Hence, despite its contentious nature, the estimated ‘shortage’ served the purpose of bringing to the industry’s attention a potential and impending situation.

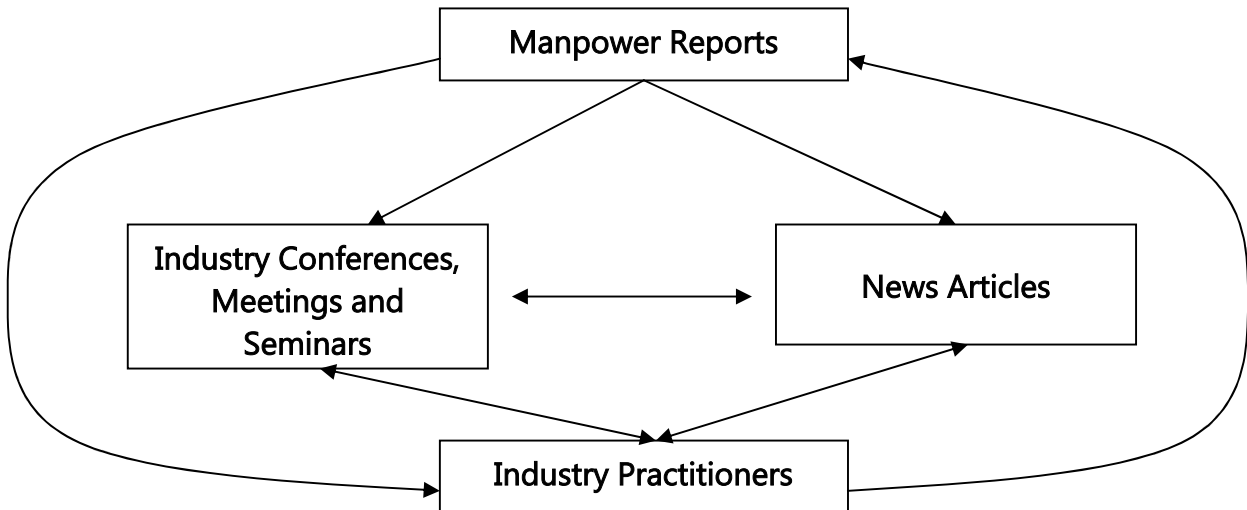
Such initial awareness would have generated some immediate articles, while simultaneously influencing the topic of interest at industry seminars and conferences. The following quotation from Lloyd’s List shows the simultaneous interactions between seminar topics of interest, industry participants, and manpower reports.

The ISF seminar was a useful foundation course in this search. More than 100 participants from many countries, even New Zealand, were there. . . . Monday's congregation was there to learn, from speakers and each other, about what needs to be done to close that quantity and quality gap between the supply and the demand for seafarers, which was impressed upon the maritime world by the ISF/Bimco report just over a year ago. (Lloyd's List, 25 Nov 1991)

Conference discussions are frequently reported in the media and, in turn, conference participants may either make reference to news reports or base their views on what they have learned in the media. The cycle of influence is then completed when manpower

reports are influenced by industry practitioners who may be asked to contribute their feedback to manpower surveys.

Figure 13 Cycle of Influence



Reports of the seafarer ‘shortage’ in the maritime print media may be considered therefore co-productions of the consumers and writers of the news. This co-production of news may explain how the notion and concept of the ‘shortage’ of seafaring labour has been perpetuated in the industry. The media thus inadvertently performs the task of maintaining the hegemony of a dominant group of practitioners, whose ideology is often a reflection of reality as well as a partial creation of it (Gee, 1990). In its website²³, Lloyd’s List declares that its publications are committed to ‘*a unique and comprehensive network of shipping of the most influential business leaders in shipping and is dedicated to reporting their activities fairly, giving them a voice*’. Through the rhetoric of the printed text, the dominant ideology is both reflected and created in the industry. At the same time, it is a circular process whereby social practices impact upon text, which in turn influence society by shaping the views of those who read them.

²³ <http://www.lloydslist.com/ll/static/about-us/>

5.1.3 Choosing the Archive for Analysis

In looking at the numbers of articles generated in the three news archives, three factors were critical in the short-listing of the archives: the first was the necessity to choose from the archive, which returned a significantly higher number of articles across the whole period; the second was to have a sufficient number of relevant articles in the same archive in order to keep some form of internal consistency, so that it was possible to compare themes and to track changes in the 'shortage' rhetoric; with the third, it was expected that a number of articles from these archives could be replicated in either form or content.

The Lloyd's List archive returned a significantly higher number of articles across the whole period. Fairplay returned a reasonable number of articles but only from 2001 onwards and its articles tended to be brief and thus, less detailed. Nexis, meanwhile, generated only a small number of articles. The number of relevant articles for all three archives was much less than the number generated using the search function, since a reflection of the words 'shortage' and 'seafarer' in the articles did not necessarily mean they had content that was relevant to the crewing crisis. If it did have relevance, it was likely to be the case that only a small mention of the situation was made, but no useful data could be garnered. As such, after eliminating these non-relevant or little relevant articles, there were too few left in the Nexis search results to justify an analysis. Based on this, the Lloyd's List archive was chosen for analysis.

The subsequent decision was to look at the Lloyd's List articles produced during the period of the peaks since the article counts were based on their close proximity to the publications of the BIMCO/ISF report. The report is considered the most comprehensive survey of the global seafaring labour needs of the maritime industry (BIMCO/ISF Report 2000, 2005) and is widely referred to in the industry. It has gained extensive recognition and has had a considerable influence on the maritime industry. It may be surmised from Figure 11 that the peaks in the count of the articles in the Lloyd's List electronic paper correspond to the years following the publications of the BIMCO/ISF Reports in 1990, 1995, 2000 and 2005. There is also a likelihood that the increase in the number of news articles with references to the 'shortage' in these subsequent years reflects a heightened awareness of the crisis of the 'shortage',

rather than an actual intensification of the ‘shortage’. However, this reflected severity of the ‘shortage’ seemed to be significantly prolonged for the period 2004 to 2008.

Having gathered an overview of the media output, I then examined the contents in the articles in order to acquire a better understanding of the arguments concerning the seafaring labour ‘shortage’. The following section offers a general impression of the ‘shortage’ situation and provides an overview of crewing situation.

5.2 Characteristics and Scale of the ‘Shortage’

It is strikingly apparent from a review of the articles that there are many contradictory opinions. Here, the nature and scale of the ‘shortage’ of seafaring officers can be seen as a point of contention. Assertions for the ‘shortage’ generally hover around debates either of its existence or its severity. Here, the varying perceptions of industry practitioners reflected in the articles seem at odds – the most basic contradiction being whether or not the ‘shortage’ existed (that is, ‘impending shortage’, ‘forecast shortage of sea-experienced shore-crisis’, ‘foresee shortage’, ‘just round the corner’). Industry members did not appear to be in agreement about whether the ‘shortage’ was a situation which already existed in the present or if it was a potential situation existing in the future should certain precautions not be made. For the most part, most of the industry appeared to concur that a crewing ‘shortage’ did exist. This led to a second point of contention, namely a debate about the extent of the labour ‘shortage’ (that is, using expressions such as ‘growing shortage’, ‘now beginning to bite’, ‘huge shortage’, ‘acute shortage’, ‘increasing awareness of shortage’, ‘feeling crew shortage’, ‘crisis proportions’, ‘worse than forecast’, ‘unprecedented crisis’, ‘threatening to spiral out of control’, ‘acutely felt’, ‘early stages of the crew shortage’, ‘a very serious issue’, ‘crisis point’, ‘chronic shortage’, ‘severe shortage’, ‘set to get worse’).

Some industry players have claimed that there is no crisis while others put forward the opinion that it is in the early stages, and yet others argue that it is already a full-blown crisis. These contradictory opinions have occurred within a particular time period, as the following excerpts illustrate.

I think we are in the early stages of the crew shortage problem and the limited slack in the crewing market is being taken up, which is still masking

the extent of the problem. – David Greenhalgh, Managing Director, V. People Marine – (Lloyd's List, 1 January 2007)

Demand has totally outstripped supply and has been doing so for many years. This has reached a crisis point that we estimate will take a decade to recover from. – Brian Griffin, ASP Ship Management – (Lloyd's List, 8 March 2007)

The first two excerpts demonstrate a temporal inconsistency in the perceived severity of the 'shortage'. The first excerpt from 1992 described the situation as 'approaching crisis proportions' while in 2007 this was only in the 'early stages'. Looked at sequentially, this does not make logical sense. It is possible that this incongruity emanates from the cyclical nature of the industry. The labour market for seafarers is dynamic and depends on the general health of world trade and the demand for shipping transportation. Hence, we may expect the severity of the crewing situation to vary over time.

The latter two excerpts are taken from the same year but show a contradiction : the first describes the situation as being in an 'early stage' while the other depicts it as being at 'crisis point'. Shipping companies would have differing experiences of the 'shortage' and sometimes markedly so. This apparent disagreement in opinion demonstrated the broad range of perceptions that exist in the industry and suggested that further investigation should be carried out into how different companies have divergent perceptions of the situation (based on factors such as the size and composition of their fleet and the type of clients they serve). Hence, further enquiry would be justified and worth pursuing.

5.2.1 Dual Dimensional

Fundamentally, the perceived 'shortage' of seafarers is two-fold: there appears to be a lack of numbers and skilled personnel.

The manning crisis is not just a question of lack of supply. It is also about a shortage of quality. – Guy Morel, Secretary-General, InterManager – (Lloyd's List, 11 October 2007)

Discrepancies in opinion usually revolve around a disagreement between these two aspects. Although some contend that the 'shortage' has both quantitative and

qualitative attributes, others, such as Captain Cooney (below), argue that there is no ‘shortage’ in terms of numbers but that the deficiency lies in skills.

Capt Cooney suggested that there were still sufficient seafarers but a shortage of skills (Lloyd’s List, 25 June 1997)

This seems to be a pervasive expression of the ‘shortage’ alluding to a lack of ‘qualified’, ‘competent’, ‘quality’, or ‘well-trained’ seafarers, giving the impression that there is a shortfall in the quality of seafarers applying for onboard positions. Besides current seafaring officers, the notion of quality extends to the recruitment of cadets as well. Some reports suggest that there is no ‘shortage’ of applicants for training places in maritime institutions but the percentage of ‘quality’ applicants among these potential candidates seems to be questionable. The dual dimension of quantity and quality already existed early in the ‘shortage’ rhetoric. The quote below highlights a relationship between the issues of quality and training (which is linked to the system of industry qualifications). This will be explored later in this chapter.

The industry faces a shortage of qualified manpower, but serious questions are being raised about the system of qualifications. It seems that before the industry can begin to tackle the quantity problem, it has to resolve the issue of quality. (Lloyd’s List, 4 Jun 1991)

5.2.2 Crossover Shore Demand

Although basically referring to a perceived lack in the supply of seafaring officers, the ‘shortage’ also extends to the shortfall of personnel in other maritime sectors. Jobs in the shore-based maritime industry rely on individuals who have seafaring experience, thus, the situation has also been aptly referred to as the ‘manpower shortage’.

. it is generally acknowledged that there is a shortage of trained officers to fill a wide variety of both sea and land-based positions in the shipping industry. (Lloyd’s List, 5 Sept 1992)

There have been many reports of difficulties when sourcing for personnel to fill a variety of shore-based positions. Many of the articles anticipated that the ‘shortage’ of seafaring officers would lead to shortages of candidates for such positions as port pilots, college lecturers, coastguard or maritime authority personnel, surveyors,

superintendents and technical ship managers. In recent years (2007 to 2008), there have been reports of shortages of pilots, berthing delays in ports and ship incidents due to pilot error. The following quotations illustrate the crossover demand from seafaring labour into shore positions:

‘ . . . the knock-on effect of the shortage will be a lack of suitable people for shore based management jobs requiring senior marine experience, such as ship managers’ (Lloyd’s List, 25 June 1997);

‘[i]f everyone is worrying themselves silly about the shortage of ships officers, it should not be even remotely surprising that those careers which tend to attract mariners ashore are also feeling the draught’ (Lloyd’s List, 6 Nov 2006).

From the above extracts, it is clear that many shore-based positions require individuals with sea-going experience. Substantial experience at sea is an asset to seafarers wishing to continue their careers ashore. This crossover ‘shortage’ of labour is also reflected in specific sectors of the industry. News articles have reported that the LNG sector has experienced a labour shortfall in its sea staff and this has affected its shore-side positions as well. In response to a lack of competent personnel for both sea and shore staff, wages are reported to have risen steeply in the sector. This may be illustrated below:

The more competent and qualified crew can earn a premium, particularly serving onboard specialist tonnage, which creates a shortage in the more commodity ship types. I believe that you will see the same trend in shore-based management – Alastair Evitt, managing director, Meridian Marine Management – (Lloyd’s List, 3 March 2008)

The relatively higher demand for officers in ‘specialist tonnage’ usually refers to oil, gas and chemical vessels which require officers to have additional specialist certification. The quote above illustrates that wages are more attractive for seafarers in these sectors. It also shows how demand in one sector (that is, specialist tonnage) can bring about a relative ‘shortage’ of personnel in other ship types. Additional to this, the shore-based demand for personnel and sea-going demand for labour are linked.

5.2.3 Local versus Global Market

The ‘shortage’ of seafaring labour is referenced in the news articles from a global as well as a local context. For instance, the articles highlighted ship owning nations such

as Japan, Hong Kong, UK, South Korea, and European countries, all of which face a 'shortage' of local seafaring labour with their nationally flagged fleets. These countries had to change their recruitment policies and/or make adjustments to their national crewing policies (such as, allowing a certain number of foreign seafarers to be employed for their national vessels). It is reasonable not to expect countries facing a 'shortage' of local seafarers to be suppliers of seafarers to the global labour market. Additionally, it is not anticipated that countries which are major suppliers of seafarers will experience a 'shortage' of local seafarers. However, there were exceptions to these situations and two examples were found.

The first was a major labour supplying country that faced a local 'shortage' of seafarers. India's local seafarer 'shortage' developed (in part) from Indian seafarers preferring to work onboard foreign-flagged vessels because of the attraction of better wages (this can be as much as 25-30% higher) and the privilege of a tax-free income. Such wage attractions and tax privileges, which are not applicable to Indian seafarers sailing onboard the Indian national fleet, meant that the majority of local seafarers preferred to work on foreign-flagged fleets. Hence, a country's status as a global labour supplier does not guarantee its supply of labour domestically. The second paradoxical example was that of Australia; although it has an acute 'shortage' of local seafaring skills, *'the country is a net exporter of officers and experts due to incentives overseas'* (*Lloyd's List, 16 November 2007*).

Thus, the irony of the above examples illustrates the interconnectedness between the local and global labour markets. Here, the local and global demand for seafaring labour is linked and the comments suggest that seafarers have sufficient mobility to choose where they want to work. Inevitably, as in the examples above, the more lucrative overseas positions win out.

5.3 Aggravating Circumstances

In the past two decades (1990-2010), several circumstances seem to have contributed to the intensification of the 'shortage' situation. These include changes in international regulation, the overall rate of fleet expansion, the competition for seafaring labour and the availability of alternative sources of labour.

5.3.1 STCW

The Standards of Training, Certification and Watchkeeping for Seafarers (STCW) Code were introduced in 1978 to establish basic requirements in training, certification and watchkeeping for seafarers at an international level. In the mid-1980s, the quality of maritime education and training was already reported to be a problem and in the 1990s, the maritime authority of a major seafarer supplying country revealed that about half of its seafarers had no formal training (International Labour Organisation, 2001).

In 1992, the grounding of the M/V Aegean Sea off the coast of Spain highlighted to the international shipping community the importance of minimising human error in order to prevent maritime casualties. Following this, the IMO (International Maritime Organisation) embarked on a comprehensive review of the 1978 Convention and subsequently made a decision to undertake a revision of the Code, concentrating on matters relating to people, training and operational practices rather than on issues dealing with improving ship construction and equipment standards. The revised STCW95 entered into force in 1997 and maritime countries had to comply by 2002. This presented a major challenge to the industry in its moderation of the 'shortage' crisis.

Among the significant amendments, the following aspects related to seafarer training and certification. The amendments required that seafarers undergoing training should be provided with a range of courses associated with onboard safety issues and procedures. Examples of these are vessel familiarisation training, fire-fighting, personal survival techniques, first-aid and personal safety and social responsibility courses. Seafarers holding licences certificated in accordance with the previous STCW78 Convention were also required to undergo training for these programmes. The seafarers had to do this in order to have their licences properly endorsed and recognised to meet the new competency standards of the 1995 amendments.

The amended convention also required all seafarer training and assessment activities to be continuously monitored. Thus, it was obligatory for MET (Maritime Education and Training) institutions to obtain quality standards systems (QSS) certification. This was to address any oversight in training, assessment and certification procedures, including ensuring the qualifications and experience of those involved in teaching and assessing

seafarer competence. The Convention placed the responsibility of ensuring that seafarers met the competence requirements on flag states (who usually issued the licences) and parties who employ seafarers (especially seafarers who were not certificated in the country).

A significant number of media articles in 1997 referred to the enforcement of STCW95. Here, the logistical issues involved in complying with the requirements for the revised code were substantial and proved a huge obstacle to many flag states, among which were major seafarer supplying countries. While the important goal was for all countries to meet the new requirements, the most obvious case of concern was for the Philippines. There was a general expectation that the Philippines, with its prevailing basic educational standards and reputation for poorly trained merchant marine officers, was not expected to make the STCW grade.

One in four maritime administrations is not expected to meet the Standards of Training, Certification and Watchkeeping 1997 convention by next year's white list deadline, according to preliminary findings of a survey conducted by the International Shipping Federation. The Philippines is seen as facing more acute problems than average in almost all areas, with political constraints on the passage of new laws to implement the convention's requirements. (Lloyd's List, 4 Sept 1997)

The implications for the failure to comply were especially serious for all labour supplying countries and for the shipping industry at large which depended on their labour. A failure of a major supplier like the Philippines to meet its requirements (in industry jargon – ‘to get on the IMO white list’) would have the potential to cause a significant disruption of the seafaring labour supply. One key obstacle concerned the quality and availability of training facilities. Many of the new major labour supplying countries did not have the finances to establish or upgrade the necessary facilities in order to train quality personnel (ILO, 2001). This had a direct impact on the ability of academic institutions to train good quality seafarers to meet the Code’s new requirements as well as to train more seafarers to address the supposed labour ‘shortage’.

All maritime nations were required to adhere to the full implementation of the Code by February 2002. This compliance to the standard caused obstacles for both advanced

and developing maritime nations, regardless of whether they were major suppliers of seafarers. This meant every flag state had to ensure that all the active seafarers they had issued a licence to should be endorsed for STCW95 compliance; without the proper endorsement, seafarers would not meet the international legal regulations. As a result of this, maritime companies and flag states risked disruption to their businesses if and when port states exercised their powers to detain and delay ships for any non-compliance relating to seafarer certification.

In February 2001 (a year before the deadline) there was concern that approximately 200,000 seafarers holding licences from the Philippines had yet to revalidate their STCW certificates. However, the Philippines was not an exception, as many other maritime states were also grappling with completing endorsements even up to the last days of the deadline.

Italy is behind on preparations for the implementation of the Standards of Training, Certification and Watchkeeping convention, the national ship owners' association has warned. Shipping lines risk having to replace hundreds of seafarers or shutting down services temporarily if staff do not obtain the required certification by the end of January, according to the ship owners' association, Confitarma. (Lloyd's List, 14 Dec 2001)

The above excerpt shows that even non-major seafaring labour countries from traditional maritime nations faced problems in implementing the new standards. This article was published less than two months before the compliance deadline and it provides a sense of the industry's anxiety at the prospects of its inability to comply in time.

5.3.2 Changes to the World Fleet

The expansion of the world fleet emerged as a significant contributor to the perceived severity of the 'shortage' in the media:

'[w]ith shipyards working to full capacity and the world cargo fleet set to grow, according to Clarksons, by 243% by 2010, the flood of new tonnage is set to exacerbate the crewing crisis' (Lloyd's List, 31 January 2008).

While the anticipation of the world fleet expansion in the 1990 and 1995 BIMCO Reports was thought to be slightly over-stated, the rate of world fleet expansion in the

21st century, especially between 2005 and 2010 was particularly rapid (see Figure 3). The numeric increase in the number of vessels brought about a corresponding and quantitative increase in demand for seafarers in the global labour market, with each new ship requiring an estimated 20-25 additional crew members (double if provision for crew rotation is considered) to operate it. This helps explain why the reported ‘shortage’ in articles before 2001 reflected the use of expectant vocabulary such as ‘impending’ and ‘anticipated’, and it was predominantly in the articles of 2006-2008 that the vocabulary of the perceived ‘shortage’ reflected a more definite tone. This may be illustrated as follows:

‘. . . [there is] no doubt that the growing shortage of qualified ships' officers was approaching crisis proportions’ (Lloyd’s List, 18 September 1992);

‘[d]emand has totally outstripped supply and has been doing so for many years. This has reached a crisis point that we estimate will take a decade to recover from’ (Brian Griffin, ASP Ship Management - Lloyd’s List, 8 March 2007).

The rate of fleet expansion is also significant – the swifter delivery of vessels meant a more imminent and urgent need for seafarers. The following comment by Mr Rajaish Bajpae, made in 2008 at the height of the fleet expansion, illustrates the urgency that resulted:

‘[c]ommenting on the global fleet expansion, Rajaish Bajpae, Chief Operating Officer, Bernhard Schulte Shipmanagement said “We do not even know where we will get the manpower to man them” ’ (Lloyd’s List, 9 May 2008).

This perceived labour ‘shortage’ was rendered even more serious by an apparent lack of individuals being trained. The following quote illustrates the sense of gravity experienced by a very large ship management company which had established links in Shanghai in 2006. One of its objectives was to explore the sourcing of Chinese officers and crew, which, as the following quote shows, was hampered by the lack of trainees.

Mr Cremers said the numbers of newbuildings being delivered over the next 24 months meant the shortage ‘was even more dramatic’ than people envisaged. ‘It’s a major problem,’ he said, which has been exacerbated by the lack of a sufficient number of trainees from China. – Anglo-Eastern group chief executive Peter Cremers – (Lloyd’s List, 17 Jan 2006)

An indirect assertion of the above quote points to the contrast between the relative speed at which new vessels can be built (often under a year) and the time-lag between cadetship and certified officer. The time needed to train an individual to junior officer level is between 3 to 5 years and to become a senior officer level is between 8 to 10 years. The latter duration is approximately 10 times longer than the one year it takes to build a ship.

In addition to the increase in the number of vessels, new tonnages in the world fleet tend to be larger and increasingly built with technologically sophisticated equipment. One of the categories of ships that was regularly reported as facing 'shortages' of labour was the tanker fleet as the new construction of gas and chemical carriers, especially LNG vessels, was evident in the expanding world fleet. The forecast in world demand for LNG is predicted to grow two-and-a-half times by 2030 and it is estimated that the LNG fleet should increase 220% by that time (Ocean Shipping Consultants Ltd Report, 2007). It is therefore anticipated that the industry's need to crew these new vessels will take a toll on the already tight seafaring labour market

The labour 'shortage' for the tanker sector seemed to be perceived as being more significant since international regulations require officers operating these vessels to have additional certification. Beyond these additional regulatory requirements, employers also often imposed their own set of company specific training requirements.

'Special skills and relevant experience, if not specialist certification are needed these days, either by statute, or the demands of a company that cannot tolerate its ships being operated by inexperienced people' (Lloyd's List, 16 February 2006).

The above excerpt alludes both to the increasing sophistication of the ships and the substantial expectations of certain employers.

5.3.3 Poaching

The swift expansion of the fleet particularly in sectors like the tanker industry caused a response which added another dimension to the seafaring labour crisis. Here, companies responded to their relative increase in demand for seafaring officers by trying to attract more potential employees. This was experienced by other employer companies as poaching:

‘ . . . with new vessels coming into the market at a rapid pace, “companies will start poaching seafarers from one another as there is a desperate need to man these ships” ’ – Emmanuel Vordonis, Executive Director, Thenamaris Ships Management Inc. – (Lloyd’s List, 1 Nov 2006).

Their past experiences of staff poaching influenced employers’ evaluations of the seriousness of the labour ‘shortage’. Descriptions of poaching in the industry seemed to suggest that this was particularly bad in the years around 2006, which coincided with a period of accelerated fleet expansion. The choice of vocabulary such as ‘a major issue’ and ‘nightmare’ suggest the perceived existence of a severe labour ‘shortage’ situation:

‘[a]t present poaching has become a major issue in the industry, with crewing agents managing to secure the seafarers they need by offering more money to those employed elsewhere’ (Lloyd’s List, 1 Nov 2006);

‘[o]ne delegate described the situation as a ‘nightmare’ where crew were jumping ship because someone was offering an extra \$100 a month’ (Lloyd’s List, 28 April 2006).

Opinions were conflicting as regards the gravity of poaching within the industry, these differing from company to company and giving little indication as to the actual pervasiveness of the situation. Varying opinions were evenly represented in the industry, as the following example demonstrates.

The increasingly serious shortage of qualified officers has led to claims of poaching from ship managers and crew managers. But just how serious are these claims? Opinions canvassed vary from the ‘very serious’ to ‘its part and parcel of the industry and we have to accept it’.

.. . . Rajaish Bajpae, president and group managing director of Eurasia Group, is firmly in the ‘very serious’ camp, saying his company has been losing seafarers, some of many year’s standing, at the rate of 5% per annum.

Firmly in the other camp, Kishore Rajvanshy, managing director of Fleet Management, stated pragmatically: ‘Poaching is certainly not limited to the shipping industry.’

InterManager’s president, Ole Stene, believes the problem has always existed. He says: ‘Its seriousness is relative. Poaching is active in periods of low crew supply and high crew demand, like we have today.’

(Lloyd’s List, 8 March 2007)

While most articles portrayed poaching as a deliberate act, one view claimed that the intention to poach may not be a blatant one but brought on by the company's business need to attract potential employees, which happened to take the form of offering higher wages and better employment terms.

Interorient Navigation Co's general manager Peter Bond commented: "I do not believe that anyone is consciously poaching seafarers, yet we are all doing it by increasing and improving salaries and terms and conditions of employment" (Lloyd's List, 8 March 2007).

This view suggests that although the act of offering better salaries and employment terms may be construed as poaching, companies do not consciously lure or target specific seafarers for themselves.

Poaching seemed to be particularly endemic in the LNG sector. The following excerpt indicates the sector's impingement upon the labour supply for the oil tanker trade:

'The industry was facing a huge influx of tanker and liquefied natural gas new buildings over the next few years and the large number of new LNG carriers had already resulted in owners in that segment poaching senior crew from other types of tanker shipping' (Lloyd's List, 3 April 2006).

Companies were re-training and employing officers from the oil tanker fleet to help meet the increased labour demand in the LNG fleet. The impression conveyed in the article on 3 April was seemingly a widespread problem of poaching in the tanker sector. However, the global LNG fleet is made up of just over 300 vessels, which was less than 3% of the total world tonnage of merchant/commercial vessels (IHS Fairplay, 2010).

It is interesting to note is that poaching was regularly juxtaposed with the issue of training. Some articles have alleged that there are companies which use poaching as the preferred alternative to training. This implies that some companies were causing annoyance to others in the industry by choosing to offer more wages to attract labour rather than spend a proportionately larger sum training their own pool of seafarers. Presumably, poaching seafarers would save them both time and money.

Allegations of poaching in the comments of participants were mostly confined to general groups in the industry (such as, over-arching references to 'ship owners') without identifying who or which type of owners were the blatant offenders:

'Shopowners who refuse to spend money on training are spreading havoc by poaching qualified crew from companies that have invested wisely' (Lloyd's List, 29 Sept 2006); '[t]here are still owners who resolutely refuse to train while poaching is possible and gravitate remorselessly towards the cheapest possible crewing solution' (Lloyd's List, 2 Jan 2007).

The above excerpts give a sense of the general annoyance toward some members in the industry, but there is no confirmation as to who the specific perpetrators are. This seems to indicate that there are members of the industry who are sufficiently annoyed to complain about the behaviour of poaching but at the same time they are unwilling to identify who the guilty parties may be, suggesting that conflicting loyalties may exist in an intricately linked maritime community.

5.3.4 The Exhaustion and the Saturation of Markets

Companies in the industry are constantly on the look out for new sources of labour. Historically, the advent of the 'flagging out' era enabled companies to scour the globe for cheaper labour alternatives. However, of late, this hedging contingency to search for new sources of labour is dissipating and the prospects for discovering new labour markets are drying up.

Finding new sources of labour supply, with a workforce in which leave expectations and training requirements are certain to increase, will be a growing preoccupation for owners, shipmanagers and those responsible for maritime education and training before - and beyond - this significant year. (Lloyd's List, 10 July 1997)

The above excerpt points to concerns about the 'shortage' where seafarer expectations for increased leave periods and the necessity of additional training requirements will reduce the supply of labour from an availability viewpoint. This therefore fuels the motivation for employers and training institutions to look for new sources of labour. Some possible sources of labour mentioned in the article included Vietnam, Indonesia, South America and Africa. At the time (1997), shipping companies were actively scouting for new labour sources, brought on in part by the concern that the Philippines (then the largest single supplier of seafarers) would not be able to meet the revised STCW95 grade. While the (above) article in 1997 referred to the industry's concern with finding new markets that can supply seafarers, the two articles (below) ten years

later, clearly refer to a situation of market saturation. This does not bode well for the industry's prospects in finding a solution to 'shortage'.

“ . . . but this time when there is a shortage of officers there are no new nationalities to be introduced and the number of officers from the developed countries continues to decline” - David Greenhalgh, Managing Director, V.People Marine (Lloyd's List, 24 January 2007);

“We do not have new areas to develop, almost all acceptable countries which could supply seafarers have been exploited fully. If you look at a map, the only continent remaining is Africa. China was supposed to be the source to solve the problem, but still needs a long time. My personal opinion is that for China, we need to allow a minimum of 10 years' development.” – Andreas Droussiotis, Managing Director, Hanseatic Shipping Co. (Lloyd's List, 1 May 2007)

It is possible that the 'acceptable' labour supplying countries considered by Mr Droussiotis (above) refer to populous nations. However, population size alone is not a sufficient criterion as the quotation alludes to other problems concerning Chinese seafarers; this probably refers to their competence in the English language.

Hence, the four issues discussed above – the implementation of the STCW95 requirements (which were new at the time), the expansion of the world fleet, poaching activity and the exhaustion and saturation of markets were perceived as playing a contributory role in aggravating the labour situation and informing understandings of the seafarer shortage.

5.4 Subcategories of Seafaring Labour

The analysis of the articles turned up some preliminary subcategories of seafaring labour. References to the labour 'shortage' revealed that the market appears to be segmented in terms of crew category (that is, ratings versus officers; deck versus engineer officers and junior versus senior officers). Articles in 1991 and 1992 reported significant shortages of junior officers. There were calls in the industry encouraging for an increase in the rate of cadet recruitment (that is, trainee junior officers). The concern here was that there would be an insufficient number of junior officers in training to replace an ageing profile of senior officers. Subsequently, in 1997, this 'shortage' of junior officers migrated to the ranks of senior officers.

A differentiation was also made between the various types of officers:

'[t]he Swedish fleet is increasing in size and there is a rising demand for officers both afloat and later ashore as a source of qualified personnel in the maritime industry. The greatest shortage is to be found in the ranks of the engineer officers' (Lloyd's List, 26 May 1997).

Some articles referred to the 'shortages' of engineer officers, particularly at the rank of second engineer:

'ISF [the International Shipping Federation] says that companies have been reporting a deteriorating situation as it becomes more difficult to find competent officers, especially second engineers' (Lloyd's List, 25 April 1997).

It is interesting to note that while the ISF observation (25 April 1997) reflects the situation from a global viewpoint, the observation made in the article of 26 May 1997 provides a perspective from the local market of the Swedish situation.

In the current century, this scenario has developed into one of a general 'shortage' of senior officers (meaning both deck and engineer officers). This may be a consequence of the failure of the industry to train adequate numbers of junior officers²⁴, as mentioned in the articles in the 1990s. Hence, the situation has continued to the present century where senior officers constitute the ranks of officers that are claimed to be in short supply; this 'shortage' of senior officers seems especially pronounced in the tanker sector.

Another development in the labour situation in the current century is that the LNG sector seemed to feature prominently in the media between 2006 and 2008. I have argued above (section 5.3.2) that the increase in fleet size and the staff poaching situation (section 5.3.3) contributed to the perception of relative labour shortage in this sector.

²⁴ In the fieldwork data, participant SC09 suggested that the prevalence of the supposed shortage of junior officers in the 1990's may have been more pertinent to the European labour market than Asia. It was a time when seafarer training in OECD countries was reduced and fewer young people in this area were choosing a sea career. The existing seafarers had progressed through to the senior ranks and had left voids in the junior ranks, these eventually being filled by Asian and East European seafarers.

The above discussion suggests that sorting labour into sector, crew category and rank is a way of understanding the types of labour skills that shipping companies need and hence, hold implication for how the market may be segmented. That certain sectors are reported as experiencing more labour limitations and anticipating a worsening of the situation relative to others suggests that seafaring labour is segmented by sectors. The same is applicable for the labour situation segmented by crew category and by rank.

Seafaring labour may also be segmented with regards to training and qualification and in this regard, labour in the dry bulk sectors may be considered separate from those for the tanker sectors. Within each sector, employers typically require seafarers to serve in the engineering or the navigation department. Seafarers in each of these crew categories fall into one of two general rank categories – they are considered either as ratings or officers. In terms of hierarchy, ratings are lower in rank, require less training and are paid less. Officers, on the other hand, occupy the top half of the ship's hierarchy, require more formal training and are paid more. Although ratings are not the group of interest in this thesis, the encompassing labour market pertinent to employers is their crewing requirements for both ratings and officers.

It appears that the officer labour market could well constitute the primary sector proposed in the dual market theory of Doeringer and Piore (1971). This reflects better conditions of pay, employment and career advancement, while the market for ratings may be relegated to the secondary sector. In addition, the primary sector for officers also shows further division into upper and lower tiers – as reflected in the vertical subdivision of labour into junior and senior officers.

When the above segments are considered together with the other forms of segmentation suggested in the literature, this elucidates the complexity of the seafaring labour market. Further to this, the substitution of seafaring labour from the Global North with that from the Global South (as discussed in section 2.4) is indicative of the geographical segmentation of seafarers. Shipping companies' preferences for specific nationalities (see section 2.4) are revealed in the combinations of mixed-nationality crews. Certain nationalities are preferred for the employment of ratings and other nationalities are preferred for the employment of officers. Moreover, the preferences for officers can be divided still further into the demand for junior and senior officers. Here, nationality

preferences seem to prevail when employing seafaring labour in certain sectors (such as the oil and gas sectors).

It is to be expected that the structure of the seafaring labour market is segmented along such vertical and horizontal boundaries and the identification of such segments in the market can best be recognized through the use of qualitative research. It is also interesting to see how the meaning of 'shortage' has unfolded, how participants interpret the term, as well as their perspectives on the issue and what the phenomenon of the 'shortage' means for them. By considering a broad range of interconnected processes, such as leave periods, wages and training, this study will engage with the questions posed from the data observed and will do so in a logical manner. The research process will therefore be determined as new questions are generated with the gathering of new information. Hence, through looking at the 'why', 'how' and 'what' of the 'shortage', I hoped to examine these questions in the context of the daily working lives of industry practitioners. The ultimate goal of the project is to discover themes and patterns in order to elucidate a comprehensive structure of the seafaring labour market.

5.5 Two Recurrent Threads

From the analysis of the media articles, two recurrent themes have emerged throughout the data: the need to train was pervasively referred to alongside references to the quality of crew. Frequent calls were made within the industry urging increased or sustained training activities. Additionally, numerous comments were made about the perceived levels of the seafarers' abilities. these being referred to in the word 'quality'. Both themes were intricately intertwined and both had inferences as regards the segmentation of the seafaring labour market.

5.5.1 Training

The BIMCO Report has had a substantial influence as reflected in a large number of Lloyds List articles (see Chapter 5) on perceptions and opinions in the industry. In the initial report it was noted that recruitment and training levels in the late 1980s were deemed inadequate and would lead to particular problems if they went unaddressed

(BIMCO/ISF, 1990). Subsequently, there have been consistent calls in the industry for ‘more training’ or ‘increased investment in training’, with both governments and unions making exhortations about the importance of training. Employers of seafarers (ship owners, managers and crewing agencies), have also joined in the call for more training, alongside P&I (Protection and Indemnity) Clubs (that is, marine insurance companies). The latter were concerned about the increasing number of insurance claims which they attribute to the poorer quality of the crews operating the vessels. However, the term ‘training’ encompasses a broad range of meanings and references, and an attempt will therefore be made to unravel them below.

(i) Continuous

One main emphasis concerning training was that it should be continuous – that is, the industry should continually strive to train and upgrade the capability of its workforce. Although ship managers realised the importance of looking for new and cheaper sources of labour, they were equally appreciative of the importance of continuous training. The individual in the following quote was referring to intensifying efforts in developing the potential of the workforce in countries where his company has been actively recruiting. This development of the workforce referred also to the training of seafarers.

“. . . our investigations have shown us that we will have more success in attracting seafarers and will have more potential to grow if we focus and intensify our efforts in countries where we already have a strong existing presence, . . . rather than test new markets.” – Andreas Neophytou, Joint Managing Director, Marlow Navigation – (Lloyd’s List, 19 Sept 2008)

Persistent calls for continuous seafarer training are consistently cited by industry players as one of the key solutions to the ‘shortage’ problem.

(ii) Training to Enhance Seafarer Quantity

There is a realisation that the lack of training in the past has resulted in a worsening ‘shortage’ of seafaring labour. Overall, training seemed to be linked to the realisation of the need to build up a pool of seafarers to counter the ‘shortage’ situation at a

quantitative level. Changes in demand for labour in the industry have also led to calls for training particular ranks of officers.

This objective of training was to ensure that the industry continually builds a pool of labour, which it can then tap. Hence, the need for training was commonly highlighted together with the need to increase the recruitment of trainees or cadets. In the 1990s, a contradictory situation arose with regard to the training capacity of maritime education institutions in traditional maritime countries and new labour supplying countries. Here, developed countries in Europe, faced with a decline in the number of trainee seafarers due to the replacement of national seafarers with those from developing countries, saw their training colleges operating below full capacity²⁵. Meanwhile, training colleges in the Asian labour supplying countries struggled to produce more trainees in order to meet the increasing demand. The irony was that the countries able to produce more seafarers faced a lowered demand for local seafarers while those faced with an increased demand were unable to effectively increase their training rate.

(iii) Training to Enhance Seafarer Quality

Exhortations for the increased training of seafarers in the industry also pertained to enhancing seafarer skills. In addition to the revised STCW95, which seafarers have to comply with, other international training standards have been proposed to ensure the attainment of a uniform level of seafarer quality. These suggested:

. . . the validation of model training courses for use in academies around the world. With concern over the shortage and quality of seafarers, the model courses, which could cover masters, chief engineers and other senior officers' certificates, would provide a uniformity of standard around the globe. (Lloyd's List, 9 April 1991)

The general training aim was that more seafarers should be trained and to an established standard – a compromise on either of these objectives was not considered to be negotiable, David Dearsley, then Secretary of the ISF, acknowledged that:

“ while we have to encourage more training, lurking behind all this is, of course, the question of quality,” (Lloyd's List, 9 April 1991). The same article on 9 April also

²⁵ Presumably shipping companies could utilise the colleges' excess capacity to train overseas cadets from developing countries. However, this would be relatively expensive and would not be cost competitive for their operations.

reflected that '[s]hortages inevitably meant a lowering of recruitment standards' – alluding to the idea that a lack of candidates also translated as a lack of 'choice' candidates and therefore, companies would have to reduce the standards they usually expected of potential trainees and employees.

(iv) Upgrading

The meaning of training also took on a supplementary function for companies – one, of upgrading. Mostly 'upgrading' referred to training programmes for the improvement of seafarer skills, such as the 'retraining and upgrading' of junior officers for specific types of ships. RINA (Registro Italiano Navale), a Genoa-based classification society, set up a training facility in the Philippines to prepare trained seafarers for specific ship owners: they '*provide advanced courses for experienced seafarers, and to train them specifically for work aboard Italian ships working in the international trades*' (Lloyd's List, 29 June 2007).

In the more serious instances, 'upgrading' was employed to bring crews up to standard; this implies crews who are paid less and who were thought to possess a correspondingly lower skill level. This has a bearing on the substitution of national crews by advanced maritime nations, as discussed in Chapters Two and Three, which gave rise to a dual labour market, tiered in terms of the quality of the labour and the employment conditions. It also prompted utterances such as : '*. . . [bringing] cheap crews up to basic standards*' (Lloyd's List, 18 July 2008).

Another application of training to upgrade referred to conversion programmes to promote potential ratings to officers or programmes for ex-navy personnel to 'cross over' to the merchant navy (Lloyd's List, 27 Jan 1997 and 26 May 1997). This did not seem to be a popular choice among industry players, as can be seen below, where a Mr A. Jones was commenting on a letter by another reader suggesting that ex-Royal Navy personnel could easily cross over to fill the 'gaps' in the supposed labour 'shortage' of merchant seafarers.

His suggestion that ex Royal Navy personnel could 'plug the gaps' in the severe shortage of MN personnel to fill shore jobs in the UK shipping industry was greeted with hoots of laughter from the staff of master

mariners in our office (and no doubt around the world!) (Lloyd's List, 27 Jan 1997)

Undoubtedly, the idea of re-training royal navy personnel to fill merchant navy officer vacancies was not well received in the industry. Whatever the reason for this, the industry does not seem to favourably consider the suitability of these personnel for conversion to seafaring officers.

(v) The Shift from the General to the Specific

It should be borne in mind

... that every additional ship that leaves the shipyard requires between 40 and 50 trained and competent seafarers to take it to sea, and provide for crew rotations. These tend not to be the general purpose hands of the past, who could be swapped from ship to ship with ease. (Lloyd's List, 16 Feb 2006)

The general purpose of seafarer training underwent an identifiable change. The emphasis seemed to shift over the years from a general to a more specific focus. In the early 1990s, it was thought a broad-based training method should be used to encourage flexibility among the onboard labour. According to David Dearsley, then Secretary of the ISF, the industry considered

' that there should be a more flexible approach to certification and work organisation on board ships, notably training geared to multi-skilled personnel with a blurring, for example, of the distinction between [the] deck and [the] engine room. There was a need to combine primary and secondary skills, an engineer who could also maintain a bridge watch or a navigator with sufficient training to fulfil certain engine room tasks if required' . (Lloyd's List, 9 April 1991)

The above excerpt illustrated a trend in the industry at that time to produce dual officers, these being individuals capable of carrying out deck as well as engineer duties. Some companies, such as AP Moller, tried to implement this dual officer scheme, even modifying their onboard organisational structure to suit the scheme. However, most of those in the industry remained critical of the scheme and sceptical of the effectiveness of the skill of these dually qualified officers.

At the turn of the century, seafarer training took on a more narrow focus. Training began to emphasise specialist knowledge which was either trade or vessel specific.

Special skills and relevant experience, if not specialist certification are needed these days, either by statute, or the demands of a company that cannot tolerate its ships being operated by inexperienced people. There is a demand for quality and compliance, not merely with the modest requirements of the Standards of Training, Certification and Watchkeeping Convention, but with a skill set that will satisfy demanding companies and customers. (Lloyd's List, 16 February 2006)

This call for specialised training was especially relevant for tanker vessels, with some maritime organisations implementing their own training initiatives. In April 2008, Intertanko (an organisation of tanker owners and/or operators) launched its Tanker Officer Training Standards (TOTS). The programme was designed to provide the tanker sector with a standard that ensures officer competence through onboard and shore training. It was also intended to address the difficulties encountered by tanker owners regarding the different ‘officer matrix’²⁶ requirements of charterers by creating a common standard in the sector.

In November 2005, the Society of Gas Tanker and Terminal Operators (SIGTTO) published a suggested set of competency standards for LNG shipping. Although the Society was established to maintain the high standards of gas carrier operations, SIGTTO’s ‘LNG Shipping Suggested Competency Standards’ are non-mandatory guidelines developed by industry experts. The standard identifies the competencies that individual officers must have and these competencies are linked to the required tasks identified for each of the 8 officer ranks onboard LNG carriers.

The decision of these organisations to establish their own sets of standards demonstrates the industry’s need to go beyond the establishment of the general training standards of STCW95.

²⁶ The concept of the Officer Matrix requirement was introduced by Oil Majors (which are also the major charterers of fuel tankers) as a way to implement their minimum standards of sea experience which they expect of the senior officers working onboard any vessel chartered by them to carry their cargoes. Matrix requirements vary with each oil company and specifies a table based on two elements (the time in rank and the time with company) which reflect the experience of the senior officers onboard. This matrix of experience is also specific to the type of vessel that seafaring officers have worked on. The introduction of the Officer Matrix was fuelled by the trend of increasing tanker accidents and the perception by oil companies that the experience of some senior officers in the tanker industry was not adequate in terms of time in rank (that is, competence) and time with the company (that is, familiarity with the company’s operating system).

(vi) Costs and Responsibility

Training costs (and therefore, training responsibility) have traditionally been shared by companies and governments, especially when the maritime industry was recovering from the 1980s recession. However, this shared responsibility largely applied to the training of national seafarers in the countries of ownership. With the increasing substitution of national seafarers with foreign seafarers, the responsibility for training took on a less nationalistic character. In the 1990s, some major maritime companies funded training courses and schemes, or invested in the setting up of maritime institutions in labour supplying countries in order to build up their seafaring workforce. Notwithstanding this, however, there are ship owners and managers who have been accused of an unwillingness to invest in training. Among the many reasons for this is one that relates to the owners' perceived jurisdiction over their sea staff. *'Shipowners were reluctant to allocate financial resources for training since they did not have direct control over the pool of seafarers they employed'* (Lloyd's List, 2 April 1991).

As ship management rose in popularity, the distinction between managers and owners blurred in terms of who the actual employer²⁷ of seafarers is, thereby adding to the confusion of who should take responsibility for the training. A 'blame game' came about when the International Shipping Federation (an international employers' organisation for ship owners) targeted ship managers as the *'prime cause for the lack of cadets'* (Lloyd's List, 9 April 1991). However, ship managers, in turn, charged the owners with an unwillingness to provide cadet berths, these constituting a fundamental part of the training: *'The problem is that cost-conscious owners want the skills, but do not want to foot the necessary training costs'* (Lloyd's List, 11 Sept 1997).

The provision of cadet berths adds a complication to the calculation of the costs of training. In addition to the cost of building them, cadet berths also add to the operational costs of ship owners. This comes in form of the physical provision of accommodation space onboard when building their vessels and in the provision of allowances, meals and other training costs. This accounts for a general reluctance in

²⁷ Since ship owners often subcontracted crewing operations to ship managers, the crew were sometimes considered the employees of the management company. This would depend on the details of the subcontract agreement between owners and managers – that is, whether managers were contracted just to provide the crew or to manage all aspects of crew employment.

some ship owners' to be involved in training. Moreover, employers (owners, managers and crew agencies) share a common reason for their apprehension to invest in training; the risk of staff poaching has caused many of them to be hesitant about spending time and money on training staff, who can subsequently be seized by a competitor through the lure of higher wages. Further, the economic downturn in 2008 created an apprehension in the industry that training budgets would be cut and result in an exacerbation of staff poaching and the supply of seafarers.

5.5.2 Quality

Now we turn to the second recurrent theme in the industry literature, which is closely linked to the first theme about training – the concept of 'quality'. Although the word occurred frequently, its meaning was often vague. On its own, the word 'quality' does not reveal very much beyond being an indication of a good standard, as the following quotations illustrate: *'There is also a real concern at the need to provide quality shipping with anything other than better quality manpower' (Lloyd's List, 26 Jun 1991); '[t]he forecast global shortage of seafarers should ensure investment in quality manpower becomes a priority' (Lloyd's List, 29 Nov 1991).*

The first quote is quite vague, equating 'quality' in shipping with 'quality' in manpower. In addition to alluding to particular enhanced standards, the word 'quality' does not specify what aspects of shipping or labour it is referring to. Similarly, the second quote does not provide any indication or clue about what 'quality manpower' may be, but merely suggests that the industry should 'invest' in it. It is also unclear whether 'investment' refers to the financial outlay for training programmes and/or facilities, or to paying higher wages to secure 'good' seafarers who will remain with the company. However it may be defined, 'quality' seems to be equated to the condition of investing money.

(i) The Nature of Seafarer Quality

The ambiguity referred to above also continues in the references for seafarer quality. Here, no distinction appeared to be made between the expressions of 'better qualified' and 'quality' seafarer. The following excerpt seems to suggest that these two words may be used rather interchangeably.

The industry is trying to get better qualified seafarers aboard ship, but improved standards of living ashore do nothing to reduce the reluctance of young people to seek a sea career. . . . These are global problems, but the inescapable issue is the quality of the seafarer. (Lloyd's List, 26 Jul 2007)

If an attempt is made to envisage a meaning for the expression of 'better qualified seafarers' (as opposed to 'quality seafarers'), a 'lack of qualified seafarers' would seem to imply that there are seafaring officers who do not hold the necessary certification. Research has shown that the problem of fraudulent practices, as regards STCW95 certification, was more prevalent than expected (Obando-Rojas *et al.*, 2001). Hence, this would reasonably be expected to have an effect on the quality of seafaring officers.

Despite the inter-changeable use of the terms 'quality' and 'qualified', there appears to be a distinction between them. While it is important for employers to seek seafarers with the necessary qualification (that is, 'qualified' seafarers) there was a sense here that qualification alone was not sufficient. Thus, a specification beyond that of 'qualified seafarer' was needed. Hence, in the following statement: '*[t]he shortage of properly qualified high standard seafarers is biting*' (Lloyd's List, 25 March 1991).

Beyond this, the concepts of 'skill', 'competence' and 'standards' are often referred to in conjunction with or in lieu of the term 'quality'. These terms are used synonymously, either being repeated in place of each other or mentioned together.

Special Report on Manning & Crewing: Impressive numbers but a shortage of skills exists among Philippines seamen

Strong world demand for seamen has benefited the Philippines in terms of employment and foreign exchange earnings. The downside, however, has been a deterioration in the quality of seamen produced over the years.

The numbers, in fact, conceal a serious supply imbalance marked by shortages in competent officers and an oversupply of unwanted ratings coming from the ranks of jobless officers. (Lloyd's List, 25 Apr 1997)

In the above excerpt (on 25 Apr 1997), the phrase 'shortage of skills' is used in the title of the article, which is then explained as a deterioration in the 'quality of seamen'. Further down in the article, the meaning of quality is supplemented by the reference to a 'shortage' of 'competent officers'. This pattern is repeated in the next excerpt (on 19 Nov 1991) where 'demand for better standards' is reiterated as 'demand for quality'.

The real difficulty is that demand for better standards is coming at a time, not when the industry is awash with talent, but when the tide is exceedingly low. In reality, the industry has the utmost difficulty in finding the numbers of seafarers it needs with today's somewhat low standards, let alone those who might be required when the public demand for quality is addressed. (Lloyd's List, 19 Nov 1991)

Quality is strongly and intricately associated with the issue of training. The demand to maintain good quality standards in seafaring was often made with reference to training. In addressing the concern for quality seafarers, the following quote demonstrates the emphasis on training programmes to ensure a common standard of skill: *'With concern over the shortage and quality of seafarers, the model courses, which could cover masters, chief engineers and other senior officers' certificates, would provide a uniformity of standard around the globe'* (Lloyd's List, 9 Apr 1991).

The consideration for seafarer quality has led to a recognition of the importance of training as indicated in the following:

He also told delegates the future of the industry depended on the availability and quality of seafarers. An incalculable service would have been made to safety if only a small fraction of the money 'that might be spent on double hulls' could be spent on training seafarers. (Lloyd's List, 30 Oct 1991)

The above was taken from an article reporting on the speech of the Greek minister of merchant marine to the IMO assembly in London. Here, the speaker was referring to the safety aspects of a vessel, where he felt that significant operational safety could be enhanced by investing in seafarer training rather than spending money building or retrofitting vessels with double-layered hulls²⁸. It can be seen, however, that the speaker does not specify what kind or what aspects of training he is referring to.

Another significant aspect of quality is that of 'experience'. The amount of sea experience a seafarer has is presumed to be directly related to his/her perceived quality. However, beyond their cumulative experience, the type of experience is also important. This is often referred to as 'relevant experience': *'Special skills and relevant experience, if not specialist certification are needed these days, either by statute, or the*

²⁸ The double-hull legislation was implemented by the IMO in its concern about environmental pollution and following numerous oil spills resulting from maritime accidents. The legislation is applicable to vessels which carry heavy grades of oil and was implemented in stages, with the compulsory enforcement date on 5 April 2005.

demands of a company that cannot tolerate its ships being operated by inexperienced people' (Lloyd's List, 16 February 2006).

Unlike the quantitative aspects of seafarer 'shortage', the qualitative aspect of the 'shortage' is susceptible to greater ambiguity. This indistinct nature of the term 'quality' did not go unnoticed by the media: *'It seems that before the industry can begin to tackle the quantity problem, it has to resolve the issue of quality. And how do you define "quality"?' (Lloyd's List, 4 Jun 1991).* This acknowledges both the quantitative and qualitative dimensions of the seafarer 'shortage'. By seeking a definition for quality, the writer is conceding that quality has a rather complex and slippery nature. Its diverse and nebulousness nature is embodied in the following :

Quality, the much used and abused term, is not often used in relation to seafarers and their working lives but it is something shipmanagers cannot afford to overlook as they seek to retain and recruit staff of the right calibre. (Lloyd's List, 3 Mar 1992)

The term 'quality' is commonly used to refer to the condition, maintenance of the vessel and the operational processes of companies as well as in reference to seafarers. The above excerpt points to the term being used in so many contexts of shipping that it is akin to being 'used and abused'. In this case, the writer is referring to the fact that 'quality' is seldom used in reference to seafarers and their lives onboard – this includes their living and working conditions which is addressed in the Maritime Labour Convention (discussed in the section below). By the last part of the quotation, the writer is trying to bring attention to quality as it relates to labour.

(ii) Regulation and Quality

International regulatory instruments such as the STCW95 and the MLC 2006 (Maritime Labour Convention, not yet in force) underscore the matter of seafarer quality.

I have already dealt with how the impending implementation of STCW95 caused considerable anxiety in the educational, regulatory and shipping sectors of the industry: the educators had difficulties meeting standards in their programmes and facilities for their provision of maritime training; the maritime authorities also met with obstacles in terms of setting up a system and having sufficient staff to carrying out the procedures

for the endorsement of their seafarers; the shipping companies were concerned that their vessels would be laid up if their seafarers were not revalidated in time.

While the STCW95 sets standards for seafarer training, the MLC addresses labour standards, outlining seafarer rights to 'decent' conditions of work. The realisation of 'quality' (linked to the ability of companies to comply with these training and labour guidelines) is important to the industry.

The MLC is an International Labour Organization Convention that was adopted by the international maritime community in 2006. At the time of writing, it has not yet come into force as it requires ratification by 30 states with a representation of at least 33% of gross world tonnage. The Convention addresses the quality of labour conditions onboard ships in its consolidation of 68 existing labour standards pertinent for the regulation of seafaring labour. These include working and living conditions onboard the ships as well as fair conditions of employment (which means wages, worker protection, health and welfare benefits). This is applicable to all seafarers working onboard commercial vessels (above 500GT) and trading in international waters (excluding navy, fishing and traditional ships). Once the convention is in force, it will require ships to be additionally certified to show that they are compliant with its specifications.

The quality of onboard labour conditions becomes more salient to companies in times of severe labour 'shortages'. Hence, '*... it is something shipmanagers cannot afford to overlook as they seek to retain and recruit staff of the right calibre*' (Lloyd's List, 3 Mar 1992).

By establishing standards in a range of areas (including those concerning age, medical certification, accommodation, recreation, food & catering, training, wages, hours of work, leave entitlement, crewing levels and welfare security), the MLC hopes to raise the quality of seafarers. Some of its provisions (such as hours of work and training) affect labour quality directly, while others have a more indirect effect. When asked to speculate on the effect the MLC would have in the industry, '19% of owners believed the [MLC] convention would "dramatically raise" the quality of seafarers, while 76% said there [would] be some improvement' (Lloyd's List, 6 Nov 2006).

(iii) Discrepancies in Quality

The notion of quality appears to take on tiered values in the following: *'As history repeats itself and crewing sources once again shift from developed to developing markets, there is bound to be a period when quality of seafarers will degenerate'*, according to Rajaish Bajpae, President and Group Managing Director, Eurasia Group (*Lloyd's List*, 27 December 2007). This indicates perceived discrepancies in the quality of the seafarers from developed nations and their counterparts from developing nations. However, it frames the situation as a subtle discrepancy between labour markets rather than between countries.

This tiering²⁹ of seafarer quality is linked to the strategy of employers to introduce cheaper labour from outside the region, which was seen as a threat to the more expensive but 'well-trained' seafarers from developed nations. This perception is reinforced by the fact that many developed nations have well-established maritime training programmes and facilities which developing countries may have lacked. Moreover, a lack of proficiency in the international language of communication onboard (that is, English) and the matter of where a seafarer obtains his/her Certificate of Competency (that is, his/her seafaring training) seems to have implications for the perceived level of his/her quality as well. The following response by the Indian National Association of Shipping to a relaxation of rules by the Indian Government for the employment of foreign nationals onboard Indian flagged ships notes the perceived differences in the qualification of seafarers from various countries:

We are also not happy with the list of countries approved for recruitment. In addition to these, we had asked for Bangladesh, Hong Kong, Indonesia, Myanmar, the Philippines, Singapore, Sri Lanka, Thailand and Vietnam, from where possibilities of getting foreign officers of acceptable quality are better. (Lloyd's List, 29 July 2008)

It should be noted that in this case, it is not the nationality but the country where the seafarer is certified that discrepancies in quality are perceived. The specific experiences of seafarers are also important in the perception of labour quality. This was demonstrated in an earlier quotation in 4.5.1 (iv), where it was suggested that

²⁹ Following from Piore's (1972) identification of upper and lower tier jobs in the primary sector, the idea of tiering in this thesis involves the vertical segmentation of the labour market which includes hierarchical elements such as job status, wages, seafarer competence and employment conditions.

personnel from the UK Royal Navy could be considered as an option to fill the 'shortage' of merchant seafarers. A response to the suggestion in the same article clarified why this was not considered feasible:

. . . What our country needs is more professional seamen, not inexperienced ex RN retreads. . . . His assertion that RN officers possess 'much sought-after seagoing experience' is nonsense. An RN officer spends most of his career either behind an office desk, in a classroom or on a small vessel tied up firmly alongside a dock wall. (Lloyd's List, 27 Jan 1997)

Clearly the experiences of merchant navy officers and royal navy officers were not considered equal. The lack of sea experience of RN officers was seen as a major reason for the unacceptability of considering them as a viable labour alternative. What may also be determined in this excerpt is the lack of relevance in the RN officer's sea experience to the operational work onboard merchant ships.

(iv) Industry's Approach to Quality

This section ends with two main observations regarding the industry's approach to quality in seafarers:

- i) For participants in the industry, quality appears to be strongly associated with the 'monetary worth' of the seafarer, this being roughly measured by the wages that he/she is able to command. Hence, the underlying assumption is that comparatively cheaper labour is likened to comparatively inferior labour. Although industry players themselves may be inclined to refute the reality of this link, this seems to be a natural and instinctual assumption.

. . . .my impression is that Michael often automatically assumes that cheap is nasty, and that careful cost control, or lower than European wage levels, can only mean a low quality of output. It often does, and while there are no measurable standards of quality perhaps we should act on the assumption that cut price is cut corners. But this can be unfair to well trained and competent people from the Far East or the Indian subcontinent and is unjustified in practice. (Lloyd's List, 16 Sept 1991)

The above excerpt illustrates the cost conscious nature of practitioners. Since there are no measurable standards of quality, price is often used as an

indicator – hence, a reduction in price is assumed to be a reduction in labour output.

- ii) The industry seems to be constantly at odds with itself, in its dilemma to recruit quality labour and keep costs down. On the one hand, it stresses the need for ‘quality’, while on the other hand, cost is a constant and important issue (meaning that employers would always seek to employ labour as cheaply as possible): *‘Let us forget about all this alleged preoccupation with quality that owners have made such a noise about in recent months. It is still casual labour we are predominantly talking about with its price pre-eminent in the operator's mind’ (Lloyd’s List, 15 Jan 1992).*

Hence, this excerpt shows that despite the industry’s preoccupation with quality, operational costs remain a prime consideration.

5.6 The Effect of the Economic Crisis

The current economic downturn in 2009-2011 has led some industry experts to forecast an increase in seafarer unemployment and a possible end to the ‘shortage’. A prediction from the Secretary-General of the International Maritime Employers Committee, David Dearsley foresees that *‘as we sink into recession the number of unemployed seafarers will increase, while the intake and training of new recruits will [be] substantially reduced’ (Lloyd’s List, 28 October 2008).* However, others such as Mr Jan Eskilt, Chairman of the OSM Group, think otherwise.

Despite the fears expressed by other speakers that the global recession of the next few years might lead to a surplus rather than a shortage of qualified crew, Mr Eskilt argued that even in slump conditions, a shortfall of up to 60,000 is still likely unless action is taken to rectify the position. Jan Morten Eskilt, chairman of OSM Group (Lloyd’s List, 28 Oct 2008).

Despite the financial crisis and the ensuing global recession, the prevailing view is that the ‘shortage’ of seafaring officers is poised to continue:

... the fact remains the industry already has a severe shortage of senior officers, so regardless of the impact of newbuilding cancellations, with very little scrapping in recent years the picture in terms of crew availability still remains a grim one. (Lloyd’s List, 31 Oct 2008)

Although the economic recession led to the cancellation of new ship builds, the question remained of how the industry would crew the remaining vessels that would be delivered. Ole Stene, President, InterManager opined that ‘. . . while the total number of newbuildings may change as a result of the credit crisis, the fact that so many seafarers would be needed was a daunting and very worrying prospect.’ (Lloyd’s List, 7 Oct 2008). He also warned that ‘soon some ships will be lying idle because owners and managers cannot supply competent crews to the ships.’

In 2008, the broad outlook was for the ‘shortage’ situation to worsen, with the anticipation that ships would be stranded in port due to a lack of crew, as the following excerpt at a Lloyd’s List conference illustrates:

. . . [There was a] general sentiment that things were set to get worse, slides flashed up the possibility of brand new LNG carriers laid up because they had no crew, or even worse having run aground due to poorly trained and inexperienced officers, employed onboard as the only available option. (Lloyd’s List, 23 May 2008)

The anticipation of having to hire poor quality staff as a result of the supposed ‘shortage’ of labour conjured up sentiments of doom and desperation about the possibility of laid up ships or increased numbers of maritime accidents.

Anticipations of a surplus in seafaring labour have led to expectations that companies will slash training budgets. Alternative opinions that the labour will remain in short supply also suggest that budgets will be cut, but as a consequence of economic gloom rather than as a result of surplus labour: ‘Yes, there may be fewer newbuildings, but there are likely to be even fewer competent seafarers as training budgets get hit’ (Lloyd’s List, 9 Oct 2008).

Regardless of the outlook for labour supply in the short term, reduced or removed training budgets could accelerate this deterioration in the supply of labour. Thus, many in the industry have articulated concerns that training should continue despite the slump.

Conclusion

This chapter presented findings from selected years of news archives from a popular maritime newspaper. The epistemology of the labour situation in the context of the industry literature is based on the media's role in perpetuating the rhetoric of the seafarer 'shortage'. This rhetoric of the 'shortage' involves the ubiquitous (mis)perception of the homogeneous nature of the labour market. Discussions about seafarer labour would seem to indicate that the participants assume they know what the other is speaking about. However, the circular arguments that often ensue demonstrate that the situation is more complex and nuanced with a large range of factors being drawn upon.

The chapter highlighted some main features which are linked to the seafaring labour 'shortage', beginning with particular debates about the signs surrounding its existence. It then described some important dimensions that characterise the situation, such as its dual dimensionality, its link with shore-based vacancies in the industry and its geography. There were some circumstances which aggravated the seafaring labour situation and these included: the obligation of states to meet the international regulatory requirements of the STCW; the changing composition of the world fleet together with its increasing size; the poaching of staff resulting from the competition for seafaring labour; and the exhaustion of new sources of seafaring labour.

The analysis of the media articles drew attention to a number of features that could arguably impede the mobility of seafarers and undermine the concept of the GLM as a smooth space. Here, issues identified point to divisions in the labour market along the lines of the onboard organisational structure – the industry's demand for seafarers was organised according to their need for crew in the engineering and navigation departments and also for ratings and officers. Beyond their demand for officers, there were further divisions according to the demand for either engineer or deck officers – these were also separated into the need for junior or senior officers.

The preliminary analysis further uncovered two recurrent and related threads which have implications for further segmentations of the labour market, namely training and quality. The change in approach to seafarer training from a general to a more specific

approach implies greater specialisation amongst seafarers and thus, potential for the segmentation of labour. The specificity of seafarer training creates obstacles for seafarers to switch from one sector to another, thereby sustaining the problems of labour ‘shortages’. Hence, this suggests a structurally differentiated labour market.

In the 1990s, the call for the training of more seafarers in order to boost the number of seafarers in the labour market reflected the awareness of a potential ‘shortage’ of seafarers. This was a time when demand for seafarers was shifting to new labour supplying countries which were not equipped to mass-produce seafaring officers at the basic STCW standard. From this, a dichotomy of seafarer quality arose between those trained in developed countries and those trained in developing countries. The underlying implication was that seafarers trained in the newer labour supplying countries of the developing world lacked quality and this justified the initial implementation of STCW. The code was introduced to address the industry’s concern with ensuring that seafarers would be trained to a minimum standard that was internationally accepted.

The term ‘quality’ connotes the existence of varying levels of standards found among seafarers. Although prone to ambiguity, it may be taken to infer the gap between seafarer quality and the quality expected by employers. This ‘gap’ seems to be indicated by the amount of sea experience a seafarer has beyond his/her basic formal training. It therefore creates a dichotomy between the ‘haves’ (seafarers with the expected level of quality) and the ‘have nots’ (seafarers with inadequate levels of quality). On one level, this bifurcation seems to be correlated to the developed-developing country dichotomy mentioned above, while on another level, it also correlates to wage levels, suggesting a tiered labour market where more competent seafarers or those with specialised training in certain sectors command a higher level of wages.

Having identified a key number of themes potentially linked to striations in the global seafarers’ labour market, the subsequent chapters examine in-depth how they are understood and operationalised in-situ by maritime practitioners.

CHAPTER SIX

Depictions of the Labour ‘Shortage’

Introduction

This chapter introduces the data from my fieldwork. It presents the major themes from the data concerning the perceptions of the labour ‘shortage’. The chapter is organised into three main parts: the first part lays out the framework for the data, providing a description of the various groups of participants who were interviewed and establishing how each group’s contribution facilitates a better understanding of the labour ‘shortage’; the second part discusses the perceived nature of the ‘shortage’ and considers its continued pertinence, especially in the period of an economic downturn; the third part examines various manifestations of the ‘shortage’ so illuminating the complexities in the labour situation. These characteristics will therefore provide additional insights into the structure of the labour market. The chapter aims to demonstrate the contingencies of the labour ‘shortage, the nature of which is based upon an amalgamation of multiple points of view in the industry.

6.1 Overview of Participant Groups

This section sets out the background to the data; three categories of participants were interviewed, these totalling 48 individuals. Ten participants were from maritime associations and/or organisations (MAO), 25 were from shipping companies (SC) and 13 individuals were seafarers (SF). The interviews were conducted over a six-month period, (between June and November 2009) in both the UK and Singapore. The maritime associations and organisations group was composed of a diverse ensemble of individuals from international organisations to marine consultants. These were people who were holding or had held key positions in their organisations and/or had vast experience as practitioners in the maritime industry. This generated views which were international, national, local, micro and macro. The shipping companies consisted of ship-owning enterprises, ship management businesses and crewing agencies, all of whom had a direct interest in the employment of seafarers. The majority of the

operated vessels belonging to the participant companies fell into 4 general categories – dry bulk and general cargo, containers, tankers and off-shore. Most of these companies operated vessels from two or more groups, although a few specialised in only one group of vessels. The seafarer participants were employed by various shipping companies and were composed of both engineer and deck officers. They also consisted of senior as well as junior officers, with sea services ranging from 2 to 25 years.

Table 1 Details of Seafaring Participants

Gender	Female 0	Male 13					Total 13
Nationality	Indian 4	Polish 1	S'pore 2	Myanmar 4	Bangla 1	Pakis 1	13
Certificate	Deck 8	Engineer 5					13
Rank	Senior Off. 3	Jnr Off. 10					13
Experience	2 years 1	3½-4 years 5	5-5½ years 2	7-9 years 2	13 years 1	> 25 years 2	13

These three groups of participants represent three sets of key stakeholders of maritime labour and together with the data they furnished, provided an encompassing overview of how the different groups understand the issue of the labour 'shortage'. The tripartite views generated information that both corroborated and clarified the other positions and they also revealed some underlying tensions and conflicts of interests. For example, the MAO participants placed blame on companies for their lack of responsibility in training seafarers. The companies, in turn, blamed the seafarers for their lack of competence/professionalism or for their lack of loyalty. Meanwhile, the seafarers found fault with their employers as regards their treatment and management of employees – including the onboard conditions and facilities, the failure to send timely relievers to the ship and delays in deploying them onboard after leave.

In general, the maritime organisations gave a broader overview of the situation, this reflecting the situation from both the employer and employee perspectives. Their input was a good place from which to begin the data analysis before turning to the data from the shipping companies; this offered a more detailed account of the ‘shortage’ issue in their day-to-day operations. The seafarers provided a micro perspective of their employment experiences. Hence, the effect of this three-prong examination produced a three-dimensional representation of the situation.

6.2 The Pertinence of the ‘Shortage’

6.2.1 Perception of its Existence

This section will challenge conceptions of an absolute ‘shortage’ and include some temporal perspectives about the argument, by locating it within a historical sequence of events.

There was a general consensus among the participants that some sort of labour ‘shortage’ exists. However, the nature of the ‘shortage’ is questionable and some participants tentatively suggested that there may be multiple understandings of the notion of the ‘shortage’. Participant MAO 06 reflected on the ‘shortage’ as follows:

So maybe there is a shortage – cause if there wasn’t a shortage, they’d have picked the ones that they wanted. But maybe they are picking the ones that they want and that’s a reflection, not of the shortage but, the shortage then of the demand that’s actually going on. So it’s the other way around, possibly, you never know. (MAO 06)

In his rather complicated argument, MAO 06 was first suggesting that in a situation of adequate labour, all employers would have their pick of the seafarers. However, he continued that it could be the case that the employers’ choices of seafarers (that is, picking the ones they wanted) is an indication of a specific type of demand for labour that is being construed as ‘shortage’.

Although the data points to some kind of constraint in the labour market, the nature of this limitation is largely ambiguous; the participants cannot define exactly what the constraint is. Here, it could be the case that the notion of a general ‘shortage’ of seafarers is an oversimplification of a pervasive rhetoric in the industry; a purely

numerical approach to the labour market obscures a differentiated set of ‘shortages’ which can be better discerned through a qualitative interrogation of the data. In other words, the notion of a general ‘shortage’ is too simplistic (in terms of numbers) and a qualitative inquiry may better point to niche ‘shortages’ in the labour market.

Despite the wavering certainty about the existence of the ‘shortage’, there is strong agreement among both MAO and SC participants that the ‘shortage’ is twofold. This dual dimension was established in the analysis of media articles in Chapter Five. Firstly, the ‘shortage’ has a quantitative component which has been described as ‘*an absolute shortage of seafarers*’ (MAO 04) and is manifested as a difficulty in crewing ships. Secondly, picking up on a theme identified in the previous chapter, there is a qualitative element to the ‘shortage’ which may be understood as a ‘skills shortage’. ‘*So you’ve got the two sides of the problem: first of all there’s the reduction in absolute . . . unavailability of total numbers of seafarers and then there’s the unsuitability of some of those seafarers to fulfil the roles [employers] would like to fulfil*’ (MAO 04).

The argument for a quantitative ‘shortage’ was often silenced by its qualitative component: the case for an absolute ‘shortage’ is (nearly always) refuted by the ironic ability of companies to find and attract seafarers in addition to the fact the ships are not tied-up because of a lack of crew. This ability to crew despite the perceived lack of seafarers has led many to the conclusion that the alleged ‘shortage’ is qualitative in nature: ‘*[a]lthough people talk about a shortage, they still fill their positions. They still have people coming into the jobs. I think what people really mean is a shortage of technical expertise or technical experience*’ (MAO 06).

Well, if we talk about the number of officers and the ratings, I think it’s not that serious. Now, the serious thing is that the quality has gone down, which is affecting the whole operations and costings. (SC 21)

. . . the general perception is that there is a shortage but I wouldn’t say there is a shortage in terms of numbers. In terms of quality, probably you can say shortage. (SC 10)

It seems as though the quantitative element is acknowledged and then dismissed in preference for a qualitative explanation. Thus, severity of the ‘shortage’ is detracted from the quantitative argument and credence is given to its qualitative counterpart. At other times, the argument for an absolute ‘shortage’ is eradicated altogether: ‘*The*

challenge we have now with regard to shortages of crew is not so much about pure shortage because generally there are enough officers.’ (SC 01)

Therefore, there appears to be a choreographed dance of perception for the seafarer ‘shortage’ in the industry. It waltzes from speculation about its existence to an admission of its existence and conjectures about its nature.

When asked when their experiences of the ‘shortage’ were most acute, companies consistently highlighted a time within the period of 2004 to 2008. This was also acknowledged as a time when there was a boom in world trade and business in the global shipping industry was extremely profitable. As a result of speculation at that time with high freight rates, there was a proliferation of ships that were ordered and brought into service.

2006 to 2008, these were very good years. I think it’s the middle of 2008 that everything went haywire. . . .I think 2006 and 2007 were the best years and the early half of 2008. I think the maximum money that people made was mid-2007 to mid-2008 – that was the peak period. (SC 03)

This was a period which could be considered as being the height of the perceived ‘shortage’ when the growth in the world fleet meant a greater demand for seafarers. A series of symptoms appeared in the labour market, such as rapid increases in wages, an increase in the length of time to find crew, fewer potential candidates, increased reports about staff poaching activity, as well as increased reports of seafarers who were of a questionable quality. These symptoms can be gleaned from the expressions accompanying the companies’ experiences of the situation, which included a feeling of being ‘squeezed’ by the rocketing salary levels (SC 05), the idea of crewing operations as a daily struggle (SC 11), the frequency with which seafarers switched companies or ‘jumped ship’ (SC 13), a lack of ability to supply potential candidates (SC 16) and difficulties in finding ‘suitable’ staff (SC 20).

6.2.2 Dynamism and the Current Reprieve

The current global economic downturn which began in late 2008 is considered to have resulted in an easing of the ‘shortage’. In the opinion of some participants, this has given the industry a reprieve from the crewing predicament and was anticipated to have a significant impact: *‘So, I really see the crisis in the sense as having some good effect*

– *the good effect is to sort out the bubble, the other good effect is to delay the crewing situation*’ (MAO 10).

The implication of the above excerpt is that the crewing ‘shortage’ was not expunged by the onset of the economic crisis, but rather its status was revised to one that is perhaps dormant. In this way, symptoms of the ‘shortage’, such as staff retention and crewing difficulties, have also temporarily subsided. Companies reported experiencing less strain in their daily operations in terms of finding available crew as well as a lessening tendency for seafarers to bargain for higher wages. When referring to the reprieve that the current economic downturn had brought, one participant comically described the good fortune of the industry as having *‘the luck of a proverbial cat – every time . . . they are confronted, something comes up and. . . I said ‘Lord Neptune has been very kind to them’ and .. takes care of them and that’s why something else crops up’* (MAO 02).

However, there were some variations in the perceptions of this temporary hiatus; some participants believed that the ‘shortage’ had been temporarily annulled, while others judged that it had merely lessened in intensity. Additionally, there were some who considered that the ‘shortage’ would resurface to a greater extent while others believed that it would improve over time, as demonstrated by the following participants’ views about the situation in the future.

So, is it true to say we have shortage today? Err probably not, I see that problem realistically really hitting us in 2014. . . about 5 years from now. Is it going to stop, is it going to come back? It’s going to come back with a vengeance in 3 or 4 years’ time. (MAO 03)

The shortage will certainly have dissipated in the 5 years. I don’t believe it will be completely gone but I believe in 5 years it will have dissipated. (MAO 04)

Corroborating the latter opinion was a shipping company participant who described the effect of the economic downturn as having *‘reduced the intensity but it has not stopped it – it has not come to the stagnant stage yet’* (SC 09).

Nonetheless, the greater expectation among participants was for the crewing crisis to reappear with the recovery of the global economy. Those who believed that the

'shortage' would come back with a stronger impact focused more on the relative demand for seafarers in the future. They reasoned that a recovery of world trade would fuel a renewed demand for maritime transportation, but at the same time the current economic situation would see a fall in the supply of seafarers due to a slack in training and the redundancy of officers. Those who predicted that the situation would improve cited the industry's realisation and increased acceptance of the need to train as the basis for expecting a boost in the future supply of officers. Perhaps these who anticipate an improving supply of officers or an end to the 'shortage' were merely extrapolating from the training figures known to them, which show a consistent numbers of cadets being trained but that does not necessarily translate into increased supply of seafaring officers because of attrition arising from a lack of training berths, training wastage and the shorter sea careers of the current generation.

By adding a temporal dimension to the two seemingly contradictory views above it may be possible to disentangle the paradox. This was what one participant (SC 12) envisaged: The crewing 'shortage' would get worse with the initial recovery of the global economy before he expected it to improve later on when the newly trained would start to feed into the system. Whether this improvement will lead to the dissipation of the 'shortage', remains to be seen. Whatever occurs in the future, the labour 'shortage' will be dependent on the relative demand and supply of seafaring officers, these being derived from the state of the global economy. Since the global economy is cyclical, it follows that seafaring labour situation will also take on a cyclical nature. However, it is not easy to forecast with any degree of certainty what the shipping market will be like, and therefore it is not easy to foresee the future of the seafaring labour market. Nonetheless, the cyclical nature of the economy suggests that the issue of the 'shortage' will remain pertinent.

The following quote from participant SC 10 is an excellent illustration of the cyclical characteristic of the labour market:

But when the crisis set in, a lot of ships got laid up – no cargo to carry, then you find that they cannot afford to choose company. So probably this will carry on until 2010 or 2011, then it will come up again – especially 2010 when a lot of ships get scrapped because of the double skin thing, so there will be a ship shortage again, then you will find that the crew supply is more than the ships. Then you will find that the crew will not have a

big say in choosing their companies. Then people start buying ships again, then freight comes up again, and then crew shortage will happen again. So it's cyclical. I would say up to 2010, up to then, the crew supply will be plentiful. Supply crew plentiful means the number is there but the [number of]ship[s] has been reduced. So when ship owners start replacing their fleet, then the crew crunch comes again. (SC 10)

SC 10 was illustrating the cyclical nature of the labour market from the perspective of a tanker operator. He was referring to the fleet and crewing situation connected to IMO's regulation on the phasing out of single hull oil tankers which have not been allowed to operate from 2010 onwards. It is mandatory for all tankers larger than 5000 DWT to be fitted with a double hull, these consisting of two complete watertight layers at the bottom and sides of the ship. This double hull regulation was adopted in 1992 and took on an accelerated importance following the Erika incident, a major oil spill caused by a single-hulled tanker breaking into two off the coast of France. Thus, tanker operators have been gradually replacing their fleets with double-hulled vessels. SC 10 demonstrates the cyclical nature of the crewing situation associated with the process of fleet replacement. The phasing out of single-hulled tankers was not a one-for-one replacement process, but likely consisted of the simultaneous addition of new double-hulled vessels, some converted vessels and some elimination of non-regulatory vessels in the initial phase. In the later phase, the remaining non-regulatory vessels would then have been sold or scrapped. As a result, the company's demand for crew would have undergone cyclical changes.

6.3 Conceptual Categorisations of the 'Shortage'

Having ascertained the pertinence of the 'shortage', I will now consider its characteristics. Apart from the efforts of major surveys such as the BIMCO and Drewry reports, the seafarer labour market is too complex to show comprehensive evidence of a numerical 'shortage' of seafarers. The notion of an objective measure of the 'shortage' may be an elusive oversimplification of the situation. Thus, by turning to other qualitative expressions of the 'shortage', and even by examining the different ways in which the industry constructs its understanding of the 'shortage' can help us appreciate what the global labour market looks like. References to increasing wages, the movement of seafarers from one company to another and difficulties in finding

crew are symptomatic of how the notion of ‘shortage’ is conceptualised. This section will therefore examine such categories of the ‘shortage’ in detail.

6.3.1 Quality and Competence

This first characteristic is the most significant finding in the data. Quality and the competence of the seafarer invariably arise in discussions about many aspects of the labour ‘shortage’ and correlates with numerous other characteristics of the alleged labour crisis.

(i) The Basic Distinction between Quality and Competence

When SC (Shipping Company) participants recounted their experiences of the ‘shortage’, they expressed frustration at the difficulty they experienced in finding seafarers of a certain calibre. They also frequently expressed their discontentment with the abilities and skill levels of the seafarers that they are compelled to employ because there are no alternative candidates. This deficiency is identified as seafarer quality or competence, the terms being apparently synonymous on a certain level. However, these terms have some underlying differentiations which I will endeavour to unravel. MAO (Maritime Associations/Organisations) participants also echoed the same limitations in labour. The meaning of the words ‘competence’ and ‘quality’ therefore seemed to be quite fluid and, while both words were often used interchangeably, a gradual distinction became apparent.

With regard to the term ‘competence’, two levels of meanings were distinguished by MAO participants. The first was a prescriptive denotation which could be called ‘threshold requirements’; here participants referred to universally accepted competencies as defined by the STCW Convention and these were generally thought to be a basic minimum of the competencies required. These were described as being task-oriented, such as the ability to complete a specific job onboard: *‘the academic sense of having the competencies to fulfil a task’* (MAO 04). Threshold requirements determine the formal qualifications of seafarers. For instance, it was claimed that a seafarer must demonstrate his or her ability in a range of tasks in order to attain his or her Certificate of Competency to demonstrate that the person in question is a certified officer. Hence, the

threshold competence could be understood as the minimum competence acceptable for the industry.

A second meaning of ‘competence’ could be that of ‘differentiator requirements’, which participants referred to as the overall suitability of a seafarer to perform his or her job. These differentiator conditions are recognised as those which go over and above the basic skills necessary to be qualified as a seafarer *‘What they are generally referring to, depending on the context, is people’s overall suitability and set of competencies to fulfil a function within a ship – not the minimum ones required by the safe-manning certificate and STCW95’ (MAO 04).*

It is this second meaning that creates a gap between the concepts of competence and quality. The following comment by a participant underscores the distinction between ‘competence’ and ‘quality’. According to the participant, competence merely means that the individual is able to perform a job but it does not indicate how well he/she is able to do it. *‘Other people see competence as “people who are good at their job” . . . but the true meaning of competence means you can do it’ (MAO 03).*

Shipping company participants have corroborated the notions of Threshold and Differentiator Requirements. For them, this means Threshold Requirements were considered to be the minimum skills necessary for employment and the Differentiator Requirements were the additional attributes over and above those which showed seafarers had ‘quality’. Whereas MAO participants tended to be more prescriptive in their discussions of competence and quality, the descriptions of the SC participants were more experiential. The distinctions between the two terms nuanced by SC 04 (below) seemed to be taken from the perspective of a recalled experience as opposed to the more definitive comments above from MAO 03 and MAO 04.

No, it’s shortage of quality. . qualified officers because you still can find officers. We never had a situation [where] the ship would be not able to sail because of [the] lack of officers. You can find certified officers but you cannot find. . . you have a shortage of qualified officers because still a lot of people [change] jobs. . . . and they carry all certificates but once you . . have them onboard the ship you realise that those people are not really qualified to do the jobs. (SC 04)

Despite the use of similar words, I can discriminate two levels of competency – certified (threshold competence) and qualified (differentiator competence). Here, participant SC 04 refers to seafarers who have the necessary certification but are not able to carry out their jobs effectively. Thus, SC participants referred to threshold requirements as a ‘minimum standard’ or ‘minimum requirements’ where the seafarer is acknowledged to be legally certified. The view was that these minimum requirements were too low, implying that there are seafarers who are legally certified as officers but when placed onboard, the companies found that they lacked the basic capabilities for the job. It was these numerous encounters with such individuals that led shipping companies to make such comments: *‘Well, you can say that the minimum requirements to be certified are too low. . . .yeah, too low requirements for certification’ (SC 04).*

(ii) A Movable Boundary

We can make sense of this distinction between Threshold and Differentiator Requirements as a mobile boundary. If threshold competencies can be accepted as fundamental requirements such as STCW requirements, then the experience matrix (see footnote 20) required by Oil Majors may help to illustrate the mobility of this boundary. The matrix requirements are specified by Oil Majors over and above the necessary STCW certifications. Here the stipulation of minimum periods of experience in the trade, in rank and with the company limits the deployment of officers, as the following illustrates:

. . . . a lot of the Charter Parties are now stating, especially for oil tankers, . . . that both the Master and the Chief Officer cannot be first trip Master or Chief Officers. So they have to have that experience there. Same with the other ranks in the interim as well. So there’s that kind of competence . . . or there’s that kind of experience issue there. (MAO 06)

Such differentiator requirements can become threshold requirements for seafarers – these being the basic requirements for employment. Any company serving oil majors has the compulsory criteria of finding and employing officers who meet the matrix specifications. Hence, the threshold requirements for such employer companies are higher. In addition to this, some participant companies which do not serve oil majors also indicated that they had their own set of requirements which they added above the

minimum STCW certification. Thus, the basic threshold requirements they expected from potential seafarers would be higher than the minimum level required for certification. It could also be the case that these elevated threshold requirements are what MAO 06 referred to as the '*demand that's actually going on*' (see Section 6.2.1).

(iii) Determinants of Quality

When assessing quality in potential employees employers reported that they utilised numerous criteria, some of which may be the amount of experience of the seafarer, prior medical records, his or her earlier performance record with previous employers, initiative, good communication skills, pro-activeness, a good attitude and good training. This section will briefly outline four of these conditions, these having featured more significantly in the data.

Language proficiency, especially in the English language, is often linked with perceived quality. This stems from an operational necessity, since the globally accepted language of onboard communication is English; proficiency in a common language facilitates communication between crew and between the shore office and onboard personnel. An understanding of the language is important for learning about and/or transmitting knowledge about regulations, procedures and operating equipment. This is important since seafarers are increasingly required to keep up with the complex technology fitted on ships and manuals for these technologically sophisticated equipment are largely written in English, a lack of proficiency in English would hinder operational effectiveness, efficiency and safety: '*One thing – language is a problem. If you are not fluent in the language, you cannot communicate well. If you cannot communicate well, you can't get the job done*' (SC 03).

When participants spoke about training, this usually referred to the formal training of seafarers (that is, cadet training) as well as the training of existing officers. The formal training of seafarers affects the quantitative symptom of the 'shortage' because a lack of it would affect the supply of seafarers. On the other hand, informal training which mainly concerns existing officers is often seen as a 'top-up' tool that companies can use to raise the quality of their seafarers to a level acceptable to them. This is similar to the upgrading notion of training discussed in section 5.5.1. Informal training, therefore, is

pertinent to the qualitative symptoms of the 'shortage'. This was defined by participants as a component that can be added to threshold requirements and it ensures that the standard of seafarers is of a level that the company considers to indicate a 'quality seafarer': *'That is a situation that you can influence yourself by training your seafarers to your standards and then the quality is not an issue for you because the seafarers that you have employed would in general meet your quality criteria'* (SC 05).

Such training of already certificated seafarers usually is comprised of non-examined informal programmes which may be composed of courses to enhance the officers in terms of their occupational expertise, management skills and personal skills. Companies also frequently organise informal in-house training, including training to instruct and update staff on company policy and practices. Thus, informal training serves to add differentiator components to the threshold components that formal training develops.

The quality of training is influenced by the training facilities of a maritime institution, the rigour of its curriculum and how well its trainers are able to instruct trainees.

. . . it will vary [..from] country to country because many of the countries don't have the proper facilities, they probably don't have the senior people who would be able to impart the training – so the quality of the staff, quality of [facilities] also varies. Then of course, the students' capabilities also vary. (MAO 09)

In turn, the quality of the seafarer is defined as an end product of his maritime training and his experience: *'Quality is talking about the end result.. . . they'll build up experience, which will - if you like - make them a better quality staff'* (MAO 01).

The experience that differentiates the certified seafarer from the quality seafarer is determined in terms of the length of time in the job as well as the practical knowledge and skills acquired while on the job. Quality was defined as an end result of training and experience and as being *'sufficiently competent in the best practices of the industry'* (SC 09). The importance of both the experience factor and competence in best practices implies the ability of the seafarer to run the ship efficiently, safely and economically.

Experience is often measured in years of sea service – this can be deceptive as it does not necessarily correlate with the enhanced competence of a seafarer. Here, extensive years of sea experience may not necessarily indicate that an individual is a highly competent seafarer because experience is partly a combination of what is pertinent to training and to work experience. Experience pertinent to training relates to the body of knowledge imparted at an educational institution as well as during onboard training. On the other hand, experience pertinent to work experience relates to the time spent at that rank as well as the time spent in a particular trade or vessel type. Together such training and work experience can be used as an indication of the richness of knowledge and skill that the seafarer may have acquired. This will be made clear when I discuss the topics of promotion and compromises in standards later in this section (6.3.6).

Certain personal traits and soft skills present in an individual contribute to the perception of the individual as a ‘quality seafarer’. These characteristics are crucial to the perception of quality. Although these characteristics are difficult to assess before a seafarer is hired, employers still value these attributes which they consider to be fundamental for a quality employee, over and above his/her certificated professional competence. Personal traits, such as attitude, pro-activeness, a sense of responsibility and motivation as well as soft skills in the areas of social skills, communication, language and teamwork are considered to be the assets of a ‘quality seafarer’.

Amongst these, attitude was highlighted as an important selection requirement; this personal characteristic was significant in the determination of quality in the minds of employers. Assuming that basic competence was not an issue (that is, the seafarer is properly certificated), attitude was identified as a key personal trait that demonstrated quality.

What we are looking for is high performance and I think that high performance is a combination of somebody that is competent in their position but also has a good attitude. And I think that the problems that we face generally [are] the attitude side of it. (SC 01)

One participant (SC 12) used the analogy of a competent doctor to illustrate the importance of attitude. He pointed out that a doctor is usually considered competent because of his or her qualifications and his or her years of experience but the attitude of a doctor is often overlooked in terms of it being perceived as a quality. A good attitude

serves to enhance the competence of a person by making that person more pro-active, responsible and effective. In the opinion of the participant, the lack of a good attitude can invalidate the certified competence of a person. Hence, regardless of the qualifications a person holds, he/she cannot be truly competent without a good attitude.

Inherent in the concept of 'good attitude' is the idea of initiative. Again, this is stated as an important requirement with the assumption that certified competence is present: *'Quality. . .our main. . .what we're looking for is initiative. The crew must have [his/her] own initiative and have good communication skills. Of course competence [must] always [be] there' (SC 02).*

Closely linked with initiative is the idea of pro-activeness. This may be understood as a characteristic that leads seafarers to do more than is expected of them. This goes beyond the basics and is also a demonstration of the seafarer's willingness to learn and to keep learning; initiative is especially crucial in the industry since it is subject to constant changes in technology and regulations. This indicates the overall pride an individual takes in his or her work as a seafarer.

. . . . To me, if you're talking about quality, it's that person who has the ability just to go that bit beyond or maybe be a bit more pro-active, maybe think in a more creative way, maybe be able to push boundaries a bit more. (MAO 03)

The attribute of a 'good attitude' was also understood as an expression of quality, and was interestingly specific for respondents from shipping companies who saw it as a mark of professionalism. Here, professionalism was explained as thoroughness in the job, not just in completing a task well but in doing it to a degree that would achieve a target purpose, as illustrated in the following quotation:

Our type of officers who will actually go all the way, let's say to do a job. Let's say, he's asked to clean the cargo tank, he really cleans it thoroughly for you. He makes sure that you will pass an inspection before the surveyor comes onboard. That's the type of officer we are talking about. We have officers who will just wash the tank and hope that they will pass the survey. They are qualified but they don't have the kind of professionalism there – that is the problem. (SC 07)

This thoroughness in job performance convinces the employer that the officer is able to manage things under his or her charge and is able to run the ship efficiently and safely.

Quality of crew, I would say [means] whether they are sufficiently competent in the best practices of the industry because any Tom, Dick or Harry can bring a ship from point A to point B, but whether the person can bring it from point A to point B SAFELY, EFFICIENTLY, COST EFFECTIVELY. . . . (SC 09.)

However, there was an exception to this preference for positive personal traits. Under certain circumstances, it is possible that companies may 'prefer' indifference and apathy over pro-activeness, or passivity over initiative. One participant (MAO 08) gave an example from the container trade, this being typified by fast port turn-around times and considerable pre-planning. Arrangements such as the ship's schedule and the stowage of containers onboard the ship are pre-planned ashore. Even the maintenance of most of the shipboard machinery and equipment is undertaken ashore because of the fast port turn-around times and the priority to meet customer demands. As a consequence, companies prefer onboard staff to abide by their shore-based plans rather than if they showed an exceptional sense of pro-activeness or initiative. In other words, they did not like officers to raise any questions or make suggestions that might cause the ship to be delayed.

6.3.2 Costs

The second symptom of the alleged crewing crisis was the experiences of companies as regards the shortfall of officers from a cost perspective. Cost is associated with the search for quality seafarers: here, the participants acknowledged that in order to recruit seafarers of a certain calibre, a particular price had to be paid. Thus, companies resorted to offering better wages and better staff benefits in order to create attractive employment packages. Other costs that the companies had to consider were those for training programmes to maintain and/or enhance staff quality.: *'If you want top quality, you have to pay for [it] and of course, training costs and other costs will have to be worked in'* (SC 08).

Thus, rising costs became significantly associated with seafarer 'shortage'. As one participant (MAO 04) described it, companies frequently experienced difficulties finding crews at the existing rates of pay and leave ratios. This applied to their experience of the availability of seafarers from both developing and developed countries. Hence, many companies found that they had to regularly review wages,

benefits and employment conditions in order to attract the new staff they needed and to retain existing ones. The frequency with which they reviewed these employment details reflected the intensity of competition for labour and may be taken as a gauge of the severity of the 'shortage': *'When times were good, then depending of what the shortage was, [this] would determine how often they would have to look at their packages. And that may mean every time a contract came to an end'* (MAO 03).

When the industry was going through a period of prosperity, demand for maritime transportation led to orders for new vessels and the purchasing of second-hand vessels. This increase in fleet size clearly meant a rapid increase in demand for crew relative to supply. Depending on the severity of the competition for labour, the companies would review their employment packages, which MAO 03 (above) indicated could be as frequent as the duration of a contract. MAO 01 (below) verified the rise in wages during the boom years and before the banking crisis in 2008: *'I think certainly before the banking crisis last year, when the demand was increasing very fast, I hear[d] some of the companies were reviewing salaries about 2 times a year - you know, that was a measure of the shortage'* (MAO 01). Thus, a response to the labour 'shortage' was an accelerated rise in wages, this being characterised by urgent pay revisions. One company participant (SC 20) estimated that its wages paid to senior officers rose by over 250% within four years.

Regardless of whether a company's fleet underwent expansion, it still had to keep in step with current wage levels or risk losing staff. If a company resisted wage revisions, it ran the risk of having problems operating its vessels which would therefore affect its business. Consequently, shipping companies were faced with a kind of Hobson's choice (the paradox of having a free choice with only one option) to keep up with wage levels.

If a company's terms and conditions gets a little out of step with the market, then they'll have difficulty crewing. And so usually what happens - they'll suffer that for a while and then realise they have to come in line or they will have a real problem. (MAO 01)

This was a time when seafarers reportedly had a bargaining edge and would often request that their employing companies should match the wages they were able to obtain with a competitor company. Hence, when the 'shortage' was keenly felt,

employers desperate to crew their ships were willing to match wage demands rather than lose valuable freight earnings.

If you actually [look] at the amount of revenue that was being generated by ships at the time, you'll see that the amount of money that could be generated from sailing the ships was enormous. The loss of every day's hire was so great that the imperative to get someone there would override and you [could] pay somebody to go anywhere and that wouldn't be a problem. (MAO 04)

However, one of the problems with the upward fluctuations of salary was said to be wage alignment. Here, shipping company managers noted that the difficulty in finding seafarers at the current rates of pay meant that wages had to be constantly revised higher. These adjustments were often negotiated on an ad-hoc basis with individual seafarers as and when the need arose. It was therefore possible that seafarers in the same company, who were of the same rank, were paid different wages. This created dissatisfaction among both groups. Clearly, seafarers who were paid less were more disgruntled, yet the unhappiness did not always lie with them alone.

But then, what's happening, specially when we all are Asians, right, and like I'm from India, they're from neighbouring countries, they are taking more of Asians now – they started taking more of cheaper officers, such as Filipinos – they're taking Filipinos. . . Chinese – Chinese people are working for less money. It's not that they're not good, they're very good but they're working for less money – so that is where the problem comes. (SF 04)

The above seafarer participant (SF04) revealed a perceived sense of threat from certain nationalities of seafarers who were paid less – implying fear that employers would prefer to hire from countries with cheaper labour. He, therefore, felt that the jobs of seafarers from his country were under threat.

6.3.3 Poaching

A third symptom of the labour 'shortage' was the activity of staff poaching. Before we discuss the problem of poaching, let us first look at the issue of staff retention. Here, the objective of the constant upward review of wages mentioned above was twofold: to attract seafarers to meet a company's increased labour demand, and to guarantee a higher rate of staff retention. Companies also utilised a rejoining bonus scheme to retain staff. If seafarers served consecutive contracts with a company, they were

offered a lump sum of money, usually equivalent to their last drawn pay. Numerous other schemes were also revised or introduced, such as seniority bonuses, enhanced medical schemes or educational schemes for employees children. Staff retention was important for companies in mitigating their experiences of seafarer 'shortage' and this was inversely related to their experiences with staff poaching.

While poaching was essentially the offering of more wages and better employment conditions to attract staff from other employers, the act of staff poaching was also regarded by both SC and MAO respondents as reluctance on the part of companies to train seafarers. This concept of poaching as a means of avoiding training was adopted from a cost perspective position – companies prefer to pay the relatively lower cost of increased wages over the cost of training, as illustrated below:

Companies did just that – they relied on the Teekays and the good ones to go and do it. But then they will go and say to someone 'O.K., I'm going to pay you a little bit extra because quite frankly I know it's going to cost me \$8,000 to have to train you. If I give you \$2,000 to come and jump ship, it's cheaper for me than having to pay the \$8,000 to train you'. (MAO 03)

Additional to this, MAO 03 pointed out that the act of offering training could also be construed as poaching. Seafarers were often attracted to work for companies which had good training programmes available.

So basically, that means they're invariably poaching – by doing the training, [they] have an opportunity to get the best people and [make] it very difficult for the others to be able to find labour because the better ones [seafarers] will say I'm going somewhere else because I'm going to get trained. (MAO 03)

From a converse perspective, poaching may not be a deliberate intention to lure specific staff from particular companies, but rather an act of offering highly favourable employment conditions aimed at attracting good seafarers. However, the ultimate result is seen as poaching:

As I told you about the wage increase, about 250% or whatever, right? So what does that tell you? That's called poaching isn't it? Wouldn't you call it poaching? I had to increase [wages], realising the market was going up, and then we had to surrender to saying 'Okay, you want that quality, this particular quality, this is the price you pay'. (SC 20)

Hence, the apparently innocuous act of offering better wages or training cannot be interpreted as anything other than poaching, whether it is deliberately intended or not. However, SC 13 points out that this is a matter of opinion and provides an alternative description: *'Marketing, I think, is a better word than poaching'* (SC 13).

Perhaps, the peculiar meaning of poaching should denote the movement of seafarers between companies from lesser to better conditions of employment, and this movement has two distinguishing characteristics – hierarchy and direction.

(i) Hierarchy

Hierarchical configurations of poaching are linked to the commercial profitability of the trade sector. Profitability determines the level of wages that shipping companies are able and willing to pay their seafarers; this in turn influences the calibre of seafarers the sector can attract.

At the lower end of the industry they've been unable to get people but they're not paying – they're not their [revenue] strengths [render them unable] to pay higher wages. And at the top end, they're having to pay higher wages to poach them from the lower levels of the system. (MAO 04)

This begs the question: To which sectors did the 'top end' and 'lower end' of the industry refer? The energy sector was experiencing a boom in the years preceding the 2008 banking crisis. It was this period that participants identified as the peak of the 'shortage' (that is, 2003 to the mid-2008). Thus, the very profitable gas, oil and off-shore sectors were increasingly able to offer higher wages to meet their demand for seafarers. In contrast, the least attractive sector at the time was the dry bulk sector with correspondingly unprofitable freight rates as the quote below explains:

. . . . When you get into the bottom end of the sector where [the] bottom end of the shipping world is about carrying high volume, low cost, heavy bulk products – iron ore, grain – the bulk carriers of the world – there they don't pay as much, their conditions are worse, etc. So they recruit as they wish. (MAO 06)

By implication, the levels of the wages correspond with the quality of the seafarers. Here, it is assumed that because the bulk sector is less profitable, with correspondingly lower wages, it can only attract seafarers who are from the lower end of the scale.

Moreover, the expectations of the employers also differ according to the sectors they are in. Thus, sectors which generate substantial revenues can pay more wages and subsequently also expect more in terms of the quality of crew they want to employ. MAO 08 illustrates this by comparing three sectors which he identified as the tanker, bulk carrier and container trades.

Generally speaking, bulk carriers are the worst in terms of quality of crew. And that . . . I would suggest, maybe we are talking about [the] requirements of owners and operators. Because bulk carriers have always been, in many ways, the lowest end of the business. They go to the worst places in the world, you know bulk terminals [where there is] no life, nothing. And for many, many years, bulk carriers were also earning peanuts – very hard to make any money So the kind of crew they used to employ was really the worst kind. . . . So you ask them ‘What do you expect from an officer’ – ‘He must have a certificate [laughs] that’s all’. And tankers, generally speaking are probably the highest – the best out of these three main categories. (MAO 08)

(ii) Direction of Movement

This hierarchy of profitability among the sectors reportedly gives rise to a pattern of movement among seafarers. In general, the direction of flow was said to correlate to the increasing profitability of sectors; seafarers can be expected to shift their employment from less to more lucrative sectors. The following excerpt illustrates a general direction of labour flow from the dry bulk to the oil sector and then from the oil to the gas sector. This flow of staff would account for the quality of seafarers one would expect to find in each of these sectors.

And as I was saying, the owners and operators of oil tanker operators will be very vociferous because they're losing their staff to the gas sector and the dry bulk sector will complain that they're losing all their best staff to the oil tankers. That will happen. (MAO 01)

Therefore, it may be expected that sectors at the ‘lower end’ of the industry would reasonably experience a more severe ‘shortage’ of labour, since labour would tend to move from their sector to other more profitable sectors. However, this viewpoint draws near to the simplistic since the underlying assumption is that seafaring labour is highly mobile within the labour market. Clearly, seafarer mobility is an important consideration in the labour ‘shortage’ crisis and this will be explored in Chapter Seven.

6.3.4 Crewing Timeline

A fourth symptom of the labour ‘shortage’ saw companies taking a longer period of time to find new or replacement crews. This delay was brought on by the lack of potential candidates and a reduction in their quality, as will be discussed below. This made the recruitment process lengthier; for example, companies might come on the market with a ‘reasonable’ recruitment offer and subsequently receive no response to their offer. They then lose time when they have to augment their salaries and extend an offer.

. we make the recruitment offer on the market and then we will have [a] limited response of absolutely unqualified people who are just looking for anything. And then the time is running out – we are not getting any positive candidates so we cannot even start selection process or real selection process. (SC 04)

Hence, the longer the crewing timeline the more severely the company experienced the labour ‘shortage’.

6.3.5 Contractual Changes

A fifth characteristic of the labour ‘shortage’ was the frequency with which companies had to recall seafarers prematurely from leave and then having to compensate them for their unused period of leave.

. there were and still are in certain trades, managers running the crewing operations [who] are having to pay people extra just to get them to join a ship early because they don’t have enough resource[s] in their systems to man the ships without getting people back early or poaching seafarers from other companies. (MAO 04)

This premature recall of seafarers was supplemented by companies’ requests for onboard staff to stay beyond the periods of their contracts.

Although difficulties in finding replacement crew are mainly anecdotal,one of the indicators (if you are speaking to crewing departments that manage this) is the length of service on the ship. Normally there will be a contract length of service (maybe 3 months, maybe 4 months or 6 months or something). If staffing is tight, you’ll find that those trip lengths start to extend because they can’t get the replacement[s]. (MAO 01)

The used of this strategy may have arisen from a depletion in the reserve pool of seafarers. In general, the nature of the shipping business is to have more crew than is necessary. This is normally maintained as a 1:3 ratio because at any one time, one-third of the crew is expected to be on leave. Therefore, this is the reservoir that companies will tap when relieving crew. However, if a fleet size expands and there is no corresponding rise in the overall pool of seafarers, this reserve ratio will shrink. Companies may also run into problems when they are unable to synchronise the availability of seafarers in their small reserve pool. For instance, some may be on study leave or not yet ready to return from leave; they may also be on secondment to another organization. This is when companies would have to remedy the situation by extending contracts or quickly recruiting from the market (that is, poaching).

Hence, the frequency of contract extension was taken as a measure of the labour 'shortage' in terms of the difficulty companies have in meeting the contractual duration agreed with seafarers: if the employment contract states that a master will work four months and take two off, the 'shortage' will lead to a compromise of these terms. As a result of this, a seafarer may work five months and take two months off or even one month off. Whatever the situation, companies describe this as an unpleasant predicament and consider it a rather disagreeable task to have to extend the contracts of their officers.

Some companies still use the 'traditional' methods of seafarer employment, where seafarers are considered as permanent employees. They have a pre-agreed schedule of work, for instance, they may work for 4 months and be entitled to 2 months of paid leave. They are, therefore, paid a wage and receive benefits whether they are sailing onboard or not. These seafarers form a permanent and exclusive pool of seafarers from which a particular company draws. Such permanent seafarer employment has given way to the more temporary form of contractual employment.

Most companies now hire seafarers on a contractual basis. These seafarers are technically considered employees of a company only while they are sailing onboard its vessels (that is, when they are on a contract). Here, they sail for an agreed period of time and are only paid for the time they are working onboard. Their total salaries are computed based on their basic wages, their leave pay entitlement (as if they were being

compensated for leave which they did not use) and overtime payments. These seafarers are considered to be part of a pool of seafarers from which a company draws. However, they are not bound by any legal requirements to remain with the company and may seek employment elsewhere.

What happened in response to that is that a lot of contracts were changed. And they went from a sea-going pay plus leave-pay to a fully consolidated daily rate of pay, where a seafarer would earn . . . for instance if the rate was - for doing his job, he was paid \$100 a day. Contribution[s] to his leave was another \$30 on top of that. Then there may have been other things. But basically, everything was rolled up and it was all itemised because it has to be for legal purposes and all sorts of things, you're on \$165 a day. At that point the company doesn't care how many days the person works because whoever's there is being paid \$165 a day. They extend the contract, the person earns more money. (MAO 04)

It may be seen from the above that the quotation shows how contracts make the management and administration of seafarers easier to facilitate for companies. Here, the contract employment for seafarers means that companies no longer need to worry about adjusting leave periods for the purpose of relieving the crew. There is also no need to compute leave-compensation separately if a seafarer rejoins at an earlier date. Rather, it is simpler for companies to administer wages, only paying the seafarer for the amount of time worked. The management of working schedules in onboard positions is also made easier. If the seafarer does not wish to take a break, he/she could serve uninterrupted contracts; this flexibility of deployment therefore provides companies with an edge when the labour is scarce.

Here, although companies seemed to have more flexibility in planning their deployment of labour, they did not have control over when the seafarers were ready to return from their non-paid leave. Hence, a seafarer could choose to remain on leave for longer than the company anticipated and this meant that if the company did not have enough relievers, they would have to resort to persuading the officer currently onboard to stay on longer until a replacement could be found.

Despite the temporary nature of contractual employment and the acknowledgement that seafarers are only legally employees when sailing onboard, companies still try to create the impression of permanence or uninterrupted employment for the purpose of boosting retention rates. By utilising company schemes, such as the rejoining bonus scheme

mentioned in section 6.3.3, those who serve successive contracts were considered to be 'retained' in their employment. Other schemes, like medical and education benefits, were also offered on an uninterrupted basis for seafarers who continue to serve contracts with the company.

Because contract employment means that seafarers are not permanent employees, the meaning of staff retention here takes on a slightly different meaning; the retention of contract seafarers refers to keeping them in the pool of seafarers that the company draws from, in other words '*. . . to keep them in the system. . .*' (SC 06) as one participant aptly put it. Interestingly, despite the apparent success of contractual seafarer employment, one participant company considered re-introducing the paid leave component in order to increase retention. It indicated that it would not be cutting salary (discussed above as a lump sum computation of the basic salary, leave and overtime payments) when re-introducing the paid leave scheme. Seafarers in the company would therefore enjoy a pay rise.

6.3.6 Promotion

Though up to now I have hardly seen any ships really stopped for want of officers because somehow you manage. You don't have, you promote. You see a lot of fast promotions, people going up the ladder very fast to fill in the gaps. (SC 03)

A sixth characteristic of the 'shortage' was the rapid promotion of officers. When companies encountered difficulties in filling a rank, one of the strategies they resorted to was the promotion of existing officers or the hiring of seafarers from the open market and promoting them to the next rank. This affected the quality of labour since seafarers were being promoted before they were able to consolidate their sea experience for the next rank. '*On top of that, people are getting promotion quite quickly. So the net result is that the biggest challenge that we have is the overall competence of the people onboard.*' (SC 01)

Here, companies placed officers on fast track promotions and thereby compromised quality. For instance, a seafarer prematurely promoted to the rank of captain after only six months of experience as a chief officer, would have limited experience and this may affect the safe operation of the ship. Accrued sea experience '*. . gives you an exposure*

to different situations that you may meet up with further down the line.' (SC 03) This experience factor is important and significant to employer companies since it provides those companies with an indication of how effectively an officer can perform his job and it is this that employers use as a confidence level to gauge potential candidates.

Even when a seafarer has sufficient experience, the promotion of an officer can cause complications for companies and affect their ability to meet the experience matrix. Here, companies serving oil majors often face the dilemma of losing their matrix configurations by promoting their officers. Although they may be in need of senior officers, they might in certain circumstances make problems for themselves if they promote their officers. Considering that senior officers have to meet matrix requirements for both time in rank and the time an individual spends with a company, a newly promoted senior officer will not meet the requirement for years in rank, although he/she may have ample experience in the type of vessel and with the company. The company would therefore have to pair a newly promoted chief officer with a captain who has sufficient sea experience in rank so that their combined experiences would meet the matrix requirements.

Companies often faced dilemmas with regard to staff retention and matrix requirements, as the following quote illustrates: *'[I]f you don't promote them, they run away and you cannot promote them because [there is] no vacancy and they need the seniority. If you promote them, they don't meet the matrix.'* (SC 18)

Several participants reported that competing companies frequently offered promotion as a means of attracting seafarers to their organisations. Many officers in search of quick promotions would therefore switch to another company which had vacancies in a higher rank. Paradoxically, companies did not always complain about such promotion poaching because they realised that some of these promotion cases involved risk-taking on the part of the new employer company; this occurred when they acknowledged that the seafarer had insufficient experience to carry out the responsibilities of the next rank. The new employer company was therefore taking on the risk of testing the competence of the seafarer, who could later be offered a position in his or her former company at the new rank.

If he comes back, of course we'll take him back as a captain – so sometimes it's good for us that other companies take him because when you promote a person, you are taking a risk. But once he's gone to other companies, he may or may not prove himself – so that initial risk is gone. That risk is taken by somebody else. (SC 13)

6.3.7 Lack of Choice

Under 'non-shortage' circumstances, the number of applicants should outnumber the number of available job positions. However, during the peak of the 'shortage', a seventh characteristic emerged. Participants spoke of an extreme reduction in the applicant-position ratio which at times became inverted. One participant (SC 16-1) illustrated the difference in his company's experiences between the late 90s and the years 2006 to mid-2008 (this being acknowledged by companies as the height of the 'shortage'):

. . . for example, in 1998, 1999, 2000 – the three years, I was at the time working in our (. . .), Singapore office doing the manning. So every time I bring my clients to China, say for this ship we need two master candidates, two chief engineers, two chief officers, etc – definitely no problem, for every candidate you want, we can give you at least 3 to 4 [potential] candidates. It is from one extreme to another – you see last year and before last year, even if you come to us for one rank, we even cannot provide any candidate for you. That was [the] last two years – 2008 and 2007 – yes, very tough. (SC 16-1)

The recent shift in the availability of candidates to the other extreme of a situation (as experience by SC 16-1's company) was not unique in the industry's experience of constraints in the labour market. SC 13 describes a similar situation:

[It was] stable – what I mean is the number of people available compared to the number of positions available, the issue was good, for every position available you had almost two or three seafarers for every berth that was available. But right now, you have more ships being built, [a greater] number of positions, but the number of officers coming out is reducing. . . (SC 13)

As a result of the circumstances described above, concerns about an acute limitation in choice emerged; this was articulated by one participant when asked what he would do if he had trouble finding crew: 'Well, we just grab whatever is [on] the market' (SC 12).

When describing their experiences of the reduced numbers of potential applicants, companies also referred to the fall in the quality of the seafarers. Here, the difficulty in obtaining quality seafarers meant that a compromise had to be struck somewhere. Costs would rise either because higher salaries had to be paid out and/or more training had to be put in to bring the seafarers up to company standards. One comment that was made by several participants stood out, namely the sentiment that companies felt they had ‘no choice’ when employing officers. After much sourcing, it was often the case that companies would only get one applicant and would have to employ that applicant whether they like him/her or not.

I think basically it has affected competency levels. . . . I've got a ship, I've got to put the guy [in]. He's got his licence, it's alright. But whether I, as a crew manager, find him fit to go there or not has taken a secondary [significance] because I have to put somebody there, he is [qualified] as per the system, he's qualified so he takes over the position, but I cannot choose – and that situation is still there today. (SC 11)

The following comment about this company's experience with short-listing candidates expresses a combination of both the reductions in the numbers of applicants and their quality.

...[you] possibly may not even have a chance to short-list them [because you did have the choice to choose], we may have just taken them. Some times you have reached the bottom of the pot and you have nothing to choose from, you may have to 'scrape' whatever is left over. (SC 09)

This lack of choice made employers anxious as evidenced by the comments from participants and this suggested that a seafarer with an adverse performance report from a former employer would still be able to obtain a job from another company. Hence, the lack of choice would seem to entail a compromise in terms of the standards of the seafarers hired.

6.3.8 Compromise in Standards

From the limited choice of applicants, employers were compelled to consider candidates whom they would previously not have short-listed. Besides affecting the competence and quality of seafarers, such downward adjustments of standards were sometimes linked to age (that is, choosing an older more experienced captain or a younger, less experienced one but with more energy to work with and motivate the

crew), medical history and prior records of performance in previous companies. The following quote illustrates the mood brought on by the downward revision of standards:

. we make the recruitment offer on the market and then we will have limited response of absolutely unqualified people who are just looking for anything. So you are forced to change your recruitment strategy, you are forced to change your selection criteria, and at the end of the day you do not have even enough time for the selection because basically you have to man the ships, so you need to . . you will cut the corners on how the competencies or qualifications are being checked and how officers are being briefed or trained before they go on board because you simply don't have time for it. (SC 04)

The above quote also directs attention to the time factor involved in the selection process. A lack of choice entails delays and a sense of haste, which then affects standards in terms of appropriate selection processes (such as background checks and the verification of the candidate).

The standards of maritime training institutions have also been thought to be compromised, this impacting on the quality of the officers produced. Some participants have indicated that they thought maritime training in recent years lacked rigour in terms of the amount of material taught and the depth of knowledge imparted. Here, their experiences were that many newly qualified junior officers were not ready to keep an independent watch (SC 10, SC 19). These new officers have also been found wanting in the area of developing safety consciousness. In addition to this, they felt this was partly contributed by the shortened duration of the training programme and sea service as stipulated by STCW. One participant (SC 15) commented that he had undergone a long schooling process in maritime training before reaching the rank of captain; in order to attain each of his Class 3, Class 2 and Class 1 deck certifications, he had six years of formal maritime education. Now, the equivalent training process can be completed in two years. Significantly, the reduction in sea service requirements by the STCW Convention coupled with reports about the fast track promotions of officers to fill gaps in ranks (mentioned above), meant that a poorer cumulative sea training and sea service experience had been gained.

Conclusion

The findings presented in this chapter demonstrate that key informants (employers, their representative bodies, and those working in the industry), drawing on their experience, account for the perceived shortage in the seafarer labour market in terms of a number of factors that arguably serve to differentiate seafarers into a heterogeneous group. In doing so, they appear in practice to be both constructing (producing) and responding to (reproducing) striations in the seafarer labour market. From the data, the key forms of differentiation identified emphasised labour market segmentation related to the seafarer and the company.

With regard to the seafarer, issues about the quality of labour place seafarers in varying strata of perceived skill. By mapping the varied issues related to labour quality, this chapter disclaimed the assumption of a purely numeric shortfall of seafaring labour. Hence, the prevalent opinion that there were sufficient numbers of trained seafaring officers in the 'competent qualified' category but not enough of these were of the 'quality' that most employers were seeking. This was corroborated by accounts of disparity in wages offered to seafarers. Further to the issue of wage differentials revealed nationality as a possible factor in labour market segmentation, as some nationalities of seafarers have been presumed to be better than others. Nationality was also pertinent in the trading routes of companies where some nationalities may be preferred over others. Wage disparities also showed how labour was more limited for certain segments of seafarers in certain ranks and those in certain sectors.

Labour market segmentation pertinent to the company also reflected quality as an issue. Exploration of the prevailing poaching situation showed that companies in different sectors demanded and paid for different quality seafarers. This indicated the presence of companies in top and lower end sectors, which differed in their ability to offer wages and other employment benefits to attract seafarers to them. Chapter Eight will further explore this issue of categories of companies. It will differentiate a dichotomy of companies which vary in their operational strategies: those that operate according to the profit factor and those that have a high regard for the quality factor (involving the quality of seafarers, ship maintenance, ship operations).

Companies may also be differentiated in terms of the length of time which they need to find crew for their vessels. The data indicated that the experience of a prolonged crewing timeline tends to vary with company size. Participants postulated that larger companies had the advantage of their size and resources to invest in regular programmes for training new officers and to upgrade existing ones. This ensures that they have a regular supply of labour and a reasonably large pool of seafarers from which they can deploy to crew their ships. Hence, they would experience prolonged crewing timelines less frequently because they are better able to plan for their labour needs.

The availability of a supposedly adequate pool of seafarers for larger companies seems to imply the existence of a primary labour market (as proposed by Doeringer and Piore, 1971) where seafarers are paid higher wages, have some semblance of job stability, and have the potential to advance in their careers. There is an apparent transition of the internal labour market of large companies from having characteristics of primary labour markets to being more reflective of secondary labour markets. The current internal labour market situation (see 3.1.1) has seen an apparent change in primary labour market characteristics because of changing seafarer employment from standard employment terms to the use of contractual employment.

The next chapter will go on to explore the differentiated nature of the seafaring labour 'shortage'. Some of the issues mentioned here will therefore be revisited and examined in the light of the segmented seafaring labour market.

CHAPTER SEVEN

The Many Sides of the Seafarer ‘Shortage’:

A Variegated Context

Introduction

The previous chapter argued against a notion of an overall ‘shortage’ of seafarers, which suggests a quantitative and generic lack of seafaring officers. The chapter indicated that the ‘shortage’ of seafarers could also be evidenced by various characteristics other than those with a numeric gauge. This chapter will consider companies’ specific experiences of the ‘shortage’ and uncover the segmented characteristics of the labour market. The chapter is set out in three sections. It will first begin by contextualising the situation of the perceived ‘shortage’; the second section will examine segmentation of the labour market in terms of trade sectors, profitability, trade routes, clientele, nationality and rank. The third section will discuss the dynamic situation between the trade sectors and consider how the occupational mobility of seafarers affects these dynamics.

7.1 Contextual Understanding of the ‘Shortage’

The participant companies confirmed that they had experienced some kind of labour limitation. However, the manner in which they experienced the situations was specific to a rank or a type of vessel rather than a general lack of candidates. Therefore, the concept of ‘shortage’ of seafarers was understood as located contextually and according to different criteria such as rank or trade. Here, shipping company participants were clearly aware that their experience of the situation was not a generic one. As the following quotes indicate, they identified trade sectors, rank, and nationality as some of the specific ways in which they could draw from their own experience and reflect what they understood to be happening more widely across the industry.

That we cannot use one word to cover all the sectors – depends on which sector [we are talking about]. If you say dry cargo side – container ship, bulk carrier, definitely much better (dSC 16-1)

I think it is important to qualify it by specifying [the] shortage of which rank, [the] shortage of [which] nationality? You cannot simply just say ‘shortage’. (SC 08)

Participant SC 08 goes on to give a good illustration of the how specific aspects of the ‘shortages’ provide a better understanding of the seafaring labour market.

I mean, if you ask me, there’s no shortage of AB – I can get you a lot of AB. But if you say ‘I want a Myanmar Captain’ – oh, there may be a shortage. Then the source of the shortage would also depend on the category of the vessel – when you say ‘shortage on bulk carrier’ – maybe there’s not so big a shortage there than tankers, you see. So I think that shortage then, you have to really define and say which category you are talking about? So then, it’s very hard to say that ‘I think overall in the world we have [a] shortage of 12,000 or 15,000 people’ that the BIMCO Report mentioned. So it’s not much meaning like that. (SC 08)

The segments he identified above include those that distinguish between the crew categories (that is, officers and ratings), nationalities, and trade. Thus, he contends that the overall figures for the ‘shortage’ of seafarers as estimated by BIMCO hold little meaning for a segmented labour market. For this reason, it would be irrelevant to focus on the supposed ‘shortage’ of seafarers in terms of a generic predicament affecting the seafaring labour market.

The estimates from the BIMCO report (see 2.4) of the supply of global seafarers were assessed by means of surveys sent to the main seafaring countries. However, the projection concerning demand was made using the data from the publications of Lloyd’s Register Fairplay. This dealt with the number of commercial ships, applying an appropriate crewing scale for each class of vessels and adding a back-up ratio which companies use as a buffer for managing their crew deployment. The report was a pioneering effort and provided a good place from which to start our consideration of the alleged seafaring labour ‘shortage’. The calculation of back-up ratios as part of the demand estimate for seafarers in the 1990 BIMCO Report gave the impression of a severe shortfall of 50,000 officers. This should logically have witnessed a grave interruption of shipping activity. However, as seen in the previous chapter, the effect of the ‘shortage’ was not solely a numeric shortfall that would cause ships to be laid up

because of a lack of crew. In their assessment of the world-wide labour market, one of the underlying assumptions of the BIMCO Report (1990-2005) was that seafarers were qualified to serve on any ship. It shall be seen in the next section that the expertise of seafarers, as assumed by BIMCO, is not completely generic – it is rather the case that seafarers they acquire standard certification that enables them to serve in certain ranks and in addition, they develop ship-specific competences when they work on particular ships and may have to obtain auxiliary certification for some specialist vessels.

In order to gain a better appreciation of the perceived ‘shortage’, it is important to bear in mind the general differentiations of seafaring labour: Perhaps the most general segmentation of the global labour market for seafarers is between officers and ratings. It has been noted in Chapter One that this thesis only considers the labour market for seafaring officers even though companies’ crewing needs encompass both seafarers from the officer and rating categories. This is because estimates of the global supply and demand have suggested a shortfall for officers but not for ratings. Next, an appraisal of the composition of the world merchant fleet will facilitate a further understanding of seafaring labour market. The demand for seafaring officers is derived from the shipping industry’s need to crew its vessels in four broad sectors – tanker, container, dry bulk and general cargo vessels. In Chapter Two we saw that the tanker (specifically oil tankers) and the dry bulk fleets constituted about 70% of the global merchant fleet. In contrast, the chemical and gas tanker fleets constituted only 6.2% and 3.7%, respectively. However, the growth rate between these two groups also stood in contrast to their relative fleet size. Between 2000 and 2009, the growth rates for the oil tanker and dry bulk fleets were 70% and 36% respectively; compared to those for the chemical and gas tanker fleets which were 171% and 122% (in DWT), respectively. Hence, we would expect the change in demand for seafaring officers in the latter two fleets to be comparatively greater. However, the offshore fleet also surfaced in the data as a significant sector for seafarer demand, although it is not considered part of the merchant fleet (see footnote 2). The offshore fleet makes up only 2.1% of the global commercial fleet and its growth rate for the same period (2000-2009) was 135.2% (in GT). Its growth is pertinent to the seafaring labour market because SC participants reported that the additional officer demand from the offshore sector had a bearing on the labour market for other shipping sectors. Together, these specialised trades in the

chemical, gas and offshore sectors feature significantly in the data. Alongside the oil tanker fleet, these trades are all involved in the energy sector which is characterised by labour specialisation, profitability and high wages. In addition, their criteria for staff recruitment are also more stringent. Legislatively, the offshore trade does not require special certification although special practical training is essential.

7.2 Sectors and Segments

7.2.1 Different Sectors, Separate Demand

While the tanker and dry bulk fleets are equally represented in the world cargo fleet, it was the tanker fleet that reported a more severe ‘shortage’ of officers. The additional legislative and industry requirements applicable to tankers but not to bulk carriers seemed to be the main contributory reasons for this difference. SC 03 (below), whose company operated only tankers and bulk carriers, reflected on this in his comment: *‘So finding officers for bulk carriers [is] slightly easier because there are no requirements, as such. For bulk carriers, it’s much easier to find people’* (SC 03).

Not only did there seem to be a less severe ‘shortage’ for the bulk fleet but, as MAO 06 pointed out in the previous chapter (see section 6.3.3), the quality of seafarers and the conditions of employment tend to drop toward to the lower end of the spectrum. The relative value of cargo in the bulk sector (in contrast to the energy sector) and consequently its freight rates and wages are lower, which may account for the less stringent criteria for seafarer quality.

The data from SC participants overwhelmingly showed that the tanker trade was the sector which reported a more consistent shortfall in officers. Considering the growth spurt of the cargo-carrying fleet in the recent decade and the tanker sector’s one-third share, the reported severity of the labour ‘shortage’ is not surprising. When participants referred to their tanker fleets, these may be further sub-classified into three categories, namely into oil, gas and chemical classifications. Here, the majority of tanker vessels carry crude oil, petroleum products, liquefied gases and chemical products. Apart from the legislative certification for tanker officers, SC 03 pointed out (see below) that there are also requirements imposed by the industry, in particular by oil majors and by the companies themselves.

[The] tanker market is much more strapped – whether it be LNG, LPG or crude oil tankers or chemical tankers because there [are] more legislative requirements for tankers. . . there are more commercial requirements for tankers, so far as oil majors are concerned. (SC 03)

Even amongst interviewees within the tanker sector, there were perceived differences in the crewing situation.

Of course, there was a difference in the experience of [the] shortage of manpower for different vessel types. The tankers probably got hit worst – chemical tankers and gas carriers. VLCCs, yes but not as grave as chemical and gas. (SC 09)

Perhaps this relative experience of the ‘shortage’ is related to the different complexities in cargo operations, and this subsequently limits the companies’ ability to find competent seafarers with the relevant experience. Participant SC 14 (below) suggested that these specialised sectors required seafarers of a higher calibre because of the additional certificate endorsements required of them.

Being a tanker specialist, both with chemical and gas tankers, we’ve had a prolonged shortage [of] skilled people – so our problems have never really gone away, have never really got [better]. Particularly with specialized ships, you need people with better skills. . . . for the chemical [ships], then we run into things with certificate endorsements and problems like that – so I think we could say that the shortage . . . the discomfort is in the tankers sector at the moment. (SC 14)

Each sub-category of the tanker trade, with its own requirements for certification results in the further segmentation of the labour market as the participants below illustrate.

Gas is, I think. . . . it is harder to find people because [the] gas ... segment is very small. So automatically, the number of officers – experienced officers in the market is [less]. That is what makes it very difficult to get. (SC 21)

. . . . overall, chemical tanker officers are [fewer] because their experience [the number of experienced officers] is [less] so when you have new builds coming in, . . . it is difficult to increase your pool. (SC 13)

What these participants (SC 21 and SC 13) are referring to is the established pool of seafarers for the gas and chemical market, which was small to begin with, so any increase in labour demand places considerable strain on this small segment of the labour market. The comments from the above participants underscore the relative

severity in the tanker trade, particularly in the gas and chemical sub-sectors. The more stringent requirements expected of seafarers, imposed both legislatively and by companies, limit the pool of seafarers available to shipping companies. The following quotation illustrates the restrictions of companies operating in the tanker market, especially when carrying cargo for oil majors.

Oil majors like BP and Shell – these are big oil companies who use your vessels to carry their oil so they have set up certain standards that your ship must meet not only for quality of the ship, but it's the experience of the crew [that is important]. They should be so many years in your company, so many years in the rank – so that's one of the places where the tankers have suffered a lot. Very difficult for guys to meet the requirements of years in rank unless you have retained people in your company for the last 5 or 10 years. (SC 03)

From this quote, it is clear that two important factors are perceived to be pertinent to the sector: the first is the experience and the second is retention. The experience factor requires that the combined experience of their senior officers onboard (computed separately for the deck and engine departments) must meet a minimum duration. This limits companies in their deployment of officers and can be problematic for the company if senior officers are newly employed and/or newly promoted. It therefore follows that the second important factor is for companies in this sector to retain their seafaring officers. Retention of seafarers in the company is essential in order to maintain the requirements for amount of experience.

In addition to the tanker sector, the other sector related to the energy trade is the offshore sector. As already indicated, the offshore sector constitutes only 2.1% of the world fleet, but this has expanded rapidly since 1995. In terms of the number of vessels, the offshore fleet has increased every five years – by 12.7% in 2000, 15.4% in 2005 and 59.2% in 2009 (Lloyd's Register Fairplay, 1995 – 2009). Moreover, the offshore sector's accelerated growth in 2009 coincides within the period that most participants have indicated as the 'peak' period of the seafarer 'shortage' (that is, 2003 to 2008). Like the tanker sector, the range of vessels within the offshore sector is rather varied. However, unlike those on tankers, seafarers on off-shore vessels do not need additional legislative certification, although they do require highly specialised practical training. Participant MAO 06 (below) referred to the skill levels and specialisations required in the sector.

[It's the s]ame in the offshore sector as well. Again, that's perceived to be a highly skilled sector, especially when you're talking about MODUs (Mobile Offshore Drilling Units), FPSOs (the floating production storage, etc), all those kind of things where you have these – especially with MODUs – which look like oil rigs, which are highly, highly technical areas. (MAO 06)

Characteristically, the whole shipping industry is rather fragmented and each type of vessel may be considered a specialisation. Within each of the major sectors, such as bulk cargo, general cargo, container cargo, there is potential for further divisions of specialisation as observed in the tanker and offshore sectors. Such specialisations have implications for the mobility of seafaring labour which shall be seen in the later section of this chapter.

7.2.2 Profitability

As it was demonstrated in the previous chapter, companies attract potential seafarers to themselves by modifying the attractiveness of their terms of employment. The ability of companies to offer desirable conditions of employment are very much contingent on their profitability, this in turn being dependent on the trade sectors that they are involved in. Here, sectors in the maritime industry which have experienced a boon in demand for their services have also experienced a corresponding rise in freight rates; their profitability determines their ability to pay and offer better terms and conditions of employment.

As a result of this, chemical and gas carriers are paid better than those in the tanker trade. In turn, oil tanker officers have better pay than those in the dry sector, *ceteris paribus*. These trades are often significantly indicated as those which experience the 'shortage' more severely. Here, the level of wages or the rate of wage increase can be indicative of the severity of the 'shortage'.

. I think the shortage will be more severe in the specialised vessels – meaning tankers, gas carriers, chemical tankers and this is borne out also by the level of wages that are paid to [the categories] of people who are working on these types of vessels. (SC 08)

Since sectors may have staggering times of profitability, a company with fleets involved in various sectors of the industry may show variations in its experience of the

‘shortage’. SC 11 (below) illustrates how his company’s experience of the crewing situation shifted from one sector to another.

Initially dry was not that bad – we were struggling [more] with the tankers and LPG and LNG. And subsequently there was a period of time when the shortage became for every type of ship. So, first it was from tankers and gas carriers and chemical tankers, and then as the time went by, it went into dry trade because the massive orders of bulk carriers and containers coming into the market. [The shortage for] Tankers was already there [in] 2003 and [for the]bulk [sector it] was during the peak which was 2006 and 2007. (SC 11)

For SC 11, his company’s experience of the ‘shortage’ began with vessels serving the more profitable tanker sector, before shifting to other types of vessels. The peak period in 2006-2007 he referred to corresponds to Lloyd’s Register Fairplay statistics in 2005 when the bulk fleet overtook the tanker fleet (see Figure 5). The later boom in the dry trades and the subsequent orders of new ships caused their experience of the ‘shortage’ to progress from the tanker trades to all the trades they were involved in.

7.2.3 Near-sea versus Deep-sea

The wage and profitability hierarchy in the trade sectors can also be seen in the trading routes of vessels. Vessels engaged in near-sea trade tend to be smaller and therefore may have lower freight rates than their deep-sea counterparts; near-sea tanker operators would not be as profitable as those which operator deep-sea vessels and would not be able to match the competitive wages offered by companies operating deep-sea vessels.

For example, [in the]chemical tanker market – chemical tankers ... are defined by different size[s] and different trade[s]. [With t]he near-sea trade in North-Asia for 5,000 deadweight vessels, the freight that they earn is different frombigger chemical tankers that [trade] in [the]deep ocean. They are tapping [into] the same pool – you have chemical tanker experience and chemical tanker endorsement, so you are in that market. So those bigger tankers which can get more freight rates have an advantage in employing these seafarers, but those in the near-sea which are tapping [into] the same category of officers will find themselves having to jack up their salaries [even though] their freight rates cannot cover the same wage levels as the deep sea ones[These are the types of anomalies ... being faced by companies. We know [this] because we are running these near-sea chemical tankers with Japanese owners who say that they can’t afford to pay so much. (SC 08)

Hence, participant SC 08 was showing from his experience that profitability need not be homogeneous across a sector which was supposedly doing well; near-sea operators found it harder to attract potential seafarers, and as such, may feel the labour 'shortage' to a greater extent. In this case, these operators (tapping into the same segment of the labour market) were unable to compete on a level playing field.

7.2.4 The Segmentation of Clientele

The kind of clients that companies aim to serve was reported to determine the pool of seafarers they would tap into. The ambition of the following company, as described by its manager, SC 18, is an interesting way of looking at the classification of clientele. The ambition of this company is to serve what it perceives as the higher echelons of the clientele league. He has therefore divided the clients into hierarchical categories, in terms of their ability to pay and the requirements they expect of the management company. Part of this requirement is the client's expectation of the quality of the seafarers.

You see, like I said, different operators they have different takes – just like in football, you have A Division, B Division, C Division. All in the A Division, they have very high wages and very established companies – bigger companies serving Oil Majors. [The s]econd division is slightly different, [the]third division is slightly different also [in their] requirements. So currently, what we have now, we are actually serving the second division but there is an intention from the second division to move to the first division – we want to get a premium. (SC 18)

Another way of segmenting the clientele is by considering whether companies operate in the 'spot market' (which is a market for immediate agreement for transportation) or the 'charter market' (this consisting of a long-term agreement for transportation). In the opinion of SC 18, the labour market is more limiting for those companies operating in the 'charter market' because they are more concerned about the amount of experience and the retention of their officers. For SC 18, the 'charter market' limits operators to a smaller pool of seafarers because of the more stringent requirements from oil major clients.

So let's say for an operator who is not serving the oil majors, just doing 'spot' and different requirements, then in that case, they're not really short of seafarers. You see, to carry for oil majors, they are very stringent because they have the name and of course they pay a higher premium. But

to do that, your crew has to be different – not only just a certification but the years of service they want as well. Whereas for others, it's not so crucial, as long as you have competent people – [with] qualified people, you can carry the cargo. So [it] depends on trade – who you're trading with, you know. (SC 18)

However, the effect on the labour market is as follows:

[When, salaries were revise about] every 6 months [for the charter market] and then you come on the spot market and you're just bargaining, as and when you need the man. And it becomes very chaotic, because you need this guy, you pay him \$8,000 but your captain who has served you for 10 years, he gets only \$6,000 – then he starts to complain . . . (SC 08)

While the flexibility of the spot market allows companies to crew their vessels with less stringent criteria in terms of seafarer qualities, it has also resulted in a more volatile wage system.

7.2.5 Local Labour Markets and Nationality Considerations

The 'shortage' of seafarers may be examined from the contexts of national markets. In section 5.2.3, media articles revealed dual categories in the local labour markets of India and Australia. Seafarers referred to in these articles could be categorised as those serving the national fleet and those serving foreign fleets. Moreover, from the participants' data, a similar segmentation of seafarers was found in the Chinese labour market. China, which is now a major seafarer supplying country, was not part of the global labour market until the late '80s: '*. . . [in]China, before we did not have a seafarers market because most of the seafarers [were] controlled by our state-owned company. Only from [the] late 80s onwards, gradually we have a seafarers market. . . .*' (SC 16-1).

He went on to elaborate how the supply of seafarers in China may fit into three categories – national seafarers who work for the national line, agency seafarers who work onboard foreign-flagged ships, and free-list seafarers who resign from the national shipping lines to find employment onboard foreign-flagged ships. He referred to these seafarers as Type 1, Type 2 and Type 3 respectively. Both Type 1 and Type 2 seafarers usually served in the same company from cadet to officer levels. A disparity of quality between these groups of seafarers was described as follows:

So type 1 and type 2 are different; so type 2 normally .. start from cadet [level]until they become officers – all the way, they work in foreign shipping companies. This actually is the cream of our China seafarers – they speak good English, they can work together with any national[ity], so most of these people, are most welcomed by these foreign ship owner[s]. (SC 16-1)

Chinese seafarers working onboard foreign flagged ships are also paid more than their counterparts working onboard national flagged ships. Here, there is a great incentive for Chinese national seafarers to find employment with foreign shipping companies in order to earn the international rate of pay.

Between 1998 and 2000 in China, while many parts of the global industry were beginning to experience a ‘shortage’ of seafarers, China had a surplus.

. in 1998, 1999, 2000 – the three years, I was at the time working in our [Company C], Singapore office doing the manning. So every time I [brought] my clients to China, for every candidate you want, we can give you at least 3 to 4 [potential] candidates. (SC 16-1)

He explained that the reason for the surplus was the inability of state-owned shipping companies to run a profitable business in a slumped shipping market. As a result, [Company C] had an excess of labour in their permanent pool of seafarers which they were obliged to keep in their employ. Thus, it decided to go into the crewing business to redeploy their surplus labour and in order to minimise their losses.

. they [had to] find [a] job for them, otherwise they [would] suffer more loss. So then they tried to do the marketing, [tried] to supply the people to foreign ship owners – actually, I was the one to be sent by [Company C] to Singapore to look for business. So you see that was the late 90s, you think there was a kind of shortage? I don’t think so. Even [though] at that time BIMCO already predicted there [would] be [a] shortage, but [a] shortage [can] only be seen in these [past] two years. (SC 16-1)

From the perspective of SC 16-1, his experience was contrary to what the BIMCO report predicted. His experience of the limitations in China’s labour market only came about in recent years.

Participant SC 08, whose company went into Myanmar in the early 1990’s for its supply of seafarers, reported that his company was operating quite comfortably until the

middle of the 2000s decade when more companies also started going into Myanmar to source for seafarers. This effectively increased demand and pushed wages upward for Myanmar seafarers.

When I first started, we were one of the first to move in and employ people in Myanmar – a significant number and with good wages. That time, that was the early 1990s and there was no shortage – we were able to tap some of the best people from the Myanmar pool. But in recent years, many more people have moved into Myanmar because they find shortage[s] in other sources so they come [to] Myanmar. Then of course when they come in, with their principals' approval, they [raise] wages until the salaries they are paying for the men [become] in my view, .. ridiculous . (SC 08)

Conversely, in the mid-2000s traditional maritime countries like the UK were reported to have experience a surplus with their national seafarers. This surplus was probably a reflection of the lack of demand for British officers rather than a pure lack of job vacancies. MAO 06 (below) explains this situation as one in which companies' were substituting their demand for British officers with cheaper, alternative labour from developing countries.

. . . during 2005 and 2006 there was a perception that we were training too many British cadets for too few jobs. And if you look back through the papers of Nautilus UK, there was certainly a shortage of jobs available for a larger number of British officers coming out. So [you have] unemployed British officers because there was a shortage of jobs. That was 2004 and 2005. But that's probably more a reflection that people don't want to employ British officers because there are cheaper and better alternatives out there. (MAO 06)

In addition to the cost of wages, shipping companies have other preferences when choosing the nationality of the crew for their vessels. One of their criteria for this decision is the trading route of their vessels. Their crewing strategy would be to employ seafarers from countries found along the major part of the trade route of their vessels. This helps to keep their costs down, as SC03 explained (see below).

Basically, crew costs are the highest today. So owners are basically looking at crew costs. So what is the trading route of the vessel – if she's going to be only in Asia, ... then you can use any of the Asian nationalities. And if she's going to be [on the Europe[an] side, maybe you [can] use somebody there – so you don't fly people across the globe. (SC 03)

Another criterion concerning nationality seems to be linked to risk. Participant SC 11

describes how the people in his company think when considering how to they would crew their vessels. This was a reasonably large company operating a broad range of over 200 vessels in its local office: *'So here in our company, we also think of . . . we have defined the ships under risk terms and then accordingly we [decide on] the crew' (SC 11).*

Risk (or potential liability to the company) is determined by freight rates, vessel sophistication and cargo value, each of which corresponds to the pay scales of seafarers. In other words, the higher the freight rate, the more sophisticated the vessel, and the higher the cargo value, the higher the wages of the seafarers employed for these vessels. The greater the sophistication of a ship, the more this indicates a high complexity of its operations, which are therefore construed as having higher risks. Similarly, the level of freight and the value of the vessel's cargo indicate the potential loss of earnings for the company. The following excerpts also show how risk is linked with seafarer nationality.

As a general rule, the newer and the more sophisticated the ship and the higher the charter rates for the ship, the more likely you are to get Northern European officers. . . . It's perceived, whether [this is] true or not would be an interesting debate, that ... the risk [is higher], where you get north-west Europeans, and ... [when it is low] risk then you actually go for all sorts of mixtures of nationalities. (MAO 04)

In our group, we still have a small pool of Danish seafarers and very experienced seafarers – so they're looking after ships that have huge operational complexity and ships that are of high value ... with a great risk . . . [Here] a great safety risk [is] involved. (SC 05)

The complexity of operations defines the level of quality that a company looks for in its seafarers. Quality, in turn, seems to be implicit in certain nationalities. The links between risk, trade, the complexity of operations, the nationality of the seafarers and the quality of the seafarers may be seen from these excerpts (SC21 and SC 03).

. . . . if I'm going to man one ship, like you know, I've to see what is the owner's requirements and another factor is, how complex the set of operations is – like if it's a tanker or an LNG, so definitely I will shift more towards the quality and I can add other things to the budget. (SC 21)

We do a risk assessment, then we see the owner's preference. . . . Then we look at what type of vessel it is and if there's any specialised fittings

onboard or a specialised trade that she goes in, so what is the best nationality we can use for this type [of vessel]. Based on this, we do a risk assessment, then once we as management have decided 'okay, we go in for either Filipino or Indian out of preference, maybe the Indians are the first or the Chinese are the first or the Europeans are the first'. (SC 03)

Additionally, the supposedly better quality nationalities were said to be those who would be less willing to work onboard older ships or those with inferior onboard working conditions. This perception suggests that the age and condition of a company's fleet is liable to be linked to its choice of seafarer nationality.

. when we started in Myanmar, we thought that Myanmar people were good but some people were of the opinion that their English was not good enough. But if we are running old ships, we think the Myanmar people would be able to take the conditions onboard these ships, but when you get an Indian guy or a Chinese guy, they may not want to go onboard or may need a lot of money before they will go onboard. (SC 08)

This information suggests that certain nationalities are perceived as being better quality seafarers and are entrusted to take charge of more sophisticated vessels; because of this they are paid more. Conversely, certain nationalities may be preferred to operate vessels that are older or perceived to be in poorer condition. Still other nationalities are considered to be more suitable for crewing vessels for certain trade routes. These nationalities often have travel restrictions and so employers report that they tend to employ them on ships operating regionally in the near-sea trade. *'[F]rom experience, we know that ..[Indonesians] are better at the local, domestic trade but not for international trade. [The same ..goes for] the Thais and Vietnamese – they're not exposed internationally yet' (SC 06).*

Companies often also consider the varying career ambitions among particular nationalities when choosing the combination of their crew. Seafarers of a certain nationality are known in the industry for their lack of aspiration in being promoted to the senior ranks. They are, therefore, most often teamed up with seafarers of another nationality who are known to consistently covet the highest ranks in the engineer and deck departments.

Indians tend to be more ambitious maybe it's a stereotype but I think there's also a nationalistic approach. So there's a perception from some people that if you go and get an Indian person to join your crew, you're

more likely to get somebody who is going to . . . want to make a long-term career, is going to want to make it to Master. Whereas there is a view that a lot of Filipino seafarers, because they know that they're earning good money in comparison to their national economy, when they get home they'll be quite content without having to struggle to take the final certificates to become a Master, to operate quite happily as a third officer, [and] get sufficient money so they can leave the industry. (MAO 03)

Preferences for leave duration also differ among nationalities and this has implications for how companies arrange the deployment of their seafarers. Some nationalities prefer a longer duration of leave in order to spend more time with family, while others prefer to go back onboard after a short break so that they can maximise their earnings.

. . . Indians take much [longer leave] and Filipinos [take] less. Ya, India is first of all, you know the economy is better, they get higher pay and more [importantly, another consideration] was their family. Whereas in the Philippines, [pay and leave are] a little bit less. Chinese [are in between] . . . (SC 21)

In terms of the retention rate, some nationalities are preferred for their loyalty. One company (SC 18 below) noted that Indonesians are loyal employees. However, another company (SC 19-1) noted Nepalis to have personality traits strongly associated with loyalty. SC 19-1's company was considering recruiting Nepalis in their cadet training programme as part of their staff retention strategy.

[The choice b]etween Chinese and Indonesians? Normally the Indonesians stay on – so to them, coming out to work, they really bring the money home and [it is] really worthwhile for them to do it. (SC 18)

Another idea was – actually we were thinking about going to Nepal. Because now the question of loyalty is utmost in our list of qualities that we want. Indians' trainability is good but they're not loyal (SC 19-1)

7.2.6 Rank

In Chapter Two, we saw how seafaring officers are certified for each rank that they serve, specifying the areas to which they may sail and the tonnage/propulsion limitations of the vessels which they may operate. The tables (Figures 9 and 10) clearly illustrate how the seafaring labour market is segmented between and within each rank for seafaring officers. Hence, a seafaring officer must be duly certified for the rank

he/she is employed to serve. Further, even within ranks, not all officers are similarly certified in terms of area limitations and size of vessel/engine.

(i) 'Shortage' Across Ranks

The 'shortage' of seafarers may be concentrated in certain ranks. Firstly, differences can be seen between the junior and senior ranks. The scenario of the labour situation at the time of writing is that a 'shortage' of seafarers is particularly acute for officers in the senior ranks:

But I think the focus with the officer shortage is very much focused on senior officers, not so much on junior officers and not at all on ratings. (SC 05)

[There is more c]ompetition ...[with] the current officers – the senior officers – it's more for that level. [With c]adets you don't get competition because there's plenty of them. (SC 06)

[We lack o]nly the senior officers, we have enough junior officers. Junior [officers are] not a problem –[the] third mate, second mate [are] not a problem. Only the senior officers [are] a problem - ...[because] we have to take [them] from the open market. (SC 07)

Companies like SC 20 found it increasingly hard to recruit senior officers. The labour situation with regard to senior officers was particularly difficult in the tanker sector.

I think until 2005, the manning situation was manageable. [By] 2006, and I will say up to this year as well included, it has been very challenging for us to find suitable senior officers especially, in particular for the tanker fleet. And we are owners of oil-chemical tankers – so that made it even more challenging. (SC 20)

This relative 'shortage' of senior officers led companies to increased wages to attract their personnel. Subsequently, it meant that a greater income gap was created between senior and junior officers.

Officers especially the top 3, 4 officers because we had to . . .we compensated by increasing their wages, we made [a] special senior management allowance. So we did cater for them more than the juniors because there was no shortage of junior officers or crew. (SC 02)

The relative 'shortage' of senior officers could be explained as a situation resulting from officer attrition rates. The relative supply of officers can be conceived of as a

pyramid where more officers are trained in the bottom ranks but, due to attrition along the way, fewer people end up at the top. Participant SC 12 gave a good illustration of how this attrition of officers led to a relative lack of senior officers, using the imagery of a pyramid to illustrate the dwindling of numbers over time.

The most critical right now are always the senior ranks – [if] I think [about] the last five years, it's always been the senior ranks. [The] Chief Officer, Master, Second Engineer and Chief Engineer – because the problem is like this, the way we do training is always a pyramid. You train 6 cadets, you drop some, then you end up maybe with 3 third officers, then after that becomes 2 second mates, then you find you get only one chief officer or one master. So for junior ranks, normally you always have [a] pool. Then you go to the senior ranks, you cannot find them because by then they either drop out or quit sea or whatever – they get married, they find girlfriend, whatever it is. (SC 12)

Although there is no concrete data on the average length of the sea careers of officers, the comments from participants indicated that many seafarers do not making seafaring a lifelong career. Shorter sea careers mean that junior officers do not stay long enough to obtain their higher CoC qualifications for subsequent promotion to senior ranks. Those who do make it to senior officers may not stay much longer at sea, preferring instead to find jobs ashore.

The minute they get their sea time, they get their CoC1, they will sail about 2 years then they come ashore – because of family pressure[s] maybe, some of them will be married by [the] time they get their CoC2. So because of family pressure[s]. . .they will look for a shore job. (MAO 07)

Hence, life-course issues tend to skew seafarer retention rates in ways that affect the relative supply of senior officers.

(ii) 'Shortage' Within Ranks

Even within the ranks of senior officers, there are further differentiations in the 'shortage' experience. SC 16-1 (below) spoke about the relative 'shortage' of two critical ranks, those of chief officer and second engineer, while SC 01 elaborates on the situation.

. . . what we can see now, at least some ranksstill ..[have] a bit [of] shortage like Chief Officer[s] and Second Engineer[s], so this level [has] the most shortage in the market now. (SC 16-1)

. generally [it's]not too bad [with] Junior Officers and in general not too bad [with] Masters and Chief Engineers – because once they get to that rank, they stay there for a number of years. The real problem that we have is this transition [to] the two critical ranks, which [are those of] Chief Officer and Second Engineer. Because the good guys get promoted – to be honest, the guys that are not so good probably stay in [their existing] rank and they're taking on critical positions where maybe you don't want to keep them there. So [these] are on tankers and to some degree on dry cargo ships – [these] are the two ranks that are the most critical. (SC 01)

From the description of SC 01, the labour situation for Masters and Chief Engineers seemed to be more stable but the situation for Chief Officers and Second Engineers appear to be more problematic – not only did there seem to be a 'shortage' of these ranks but there also seemed to be issues relating to the quality of these officers. According to SC 01, there is a 'double-jeopardy' which results from the supposed shortfall in the supply of the ranks of Chief Officers and Second Engineers because those that remain in rank also tend to be viewed as less competent. Additionally, participant SC 13 explains this situation in terms of transitory changes to the labour situation between the junior ranks to those of Captain and Chief Engineer.

Till today the ranks just below the Master – the Chief Officer and Second Engineer, they're the most crucial ranks, most difficult to find. Yes, because what happens when you have [a] shortage of Masters, you keep promoting people to become Masters, And it's not so easy to promote somebody from second officer to chief officer – he must do his exams and things like that. there's a lot of build-up[to the] ranks [of] the Master and Chief Engineer, but for [the] Chief Officer it's like a transit period – you're Chief Officer for a short time and during this shortage the transit period [is reduced] – they stay chief officer for a few months and then they want promotion. (SC 13)

What SC 13 (above) was saying was that the ranks of the Chief Officer and Second Engineer were considered transitory by seafarers, who often after a brief time in rank wanted a quick promotion to the highest rank. Moreover, the greater 'shortage' of Chief Officers and Second Engineers was made worse by the greater obstacles to promoting officers from the ranks below. In order to be promoted to Chief Officers and Second Engineers, junior officers needed to attend formal training and to obtain their higher CoC certification.

However, not all the companies experienced senior rank 'shortages' in the same manner. SC 03 (below) described a different scenario in his company's experience -

he cited a perceived ‘shortage’ in all four senior ranks for tankers while bulk carriers experienced a ‘shortage’ in all ranks except that of the captain. The experience he described appears to be more serious than the ‘shortage’ experienced by SC 01’s company.

. . . well maybe in bulkers, Captains are available. . . . So today the main shortage is the Chief Officer, the Second Engineer and Chief Engineer. For tankers, it is Master, Chief Engineer. . . all the four because [of] their years in the company, their years in the rank – all that we require – so all four are basically affected. You need to retain all your senior people. (SC 03)

However, both SC 01 and SC 03 agreed that the situation was more urgent for the tanker trade than for the bulk trade. These differences between the comments of SC 01 and SC 03 could possibly be due to the relative sizes of these companies, the company of SC 01 being the larger one (with the number of its managed vessels frequently estimated at one thousand) and the company of SC 03, on the other hand, was much smaller, with about 70 vessels.

7.3 Cross-Over Factors

-

Labour Demand and Occupational Mobility

Market sectors may be seen as linked when we examine labour movement. Assuming an overall ‘shortage’ in the labour market, a movement of seafarers from one sector to another would affect the dynamics of the overall labour situation. Here, the direction of flow of seafarers is generally from the less profitable sectors to those that can offer more attractive wages.

... the owners and operators of oil tanker operators will be very vociferous because they're losing their staff to the gas sector and the dry bulk sector will complain that they're losing all their best staff to the oil tankers. That will happen. (MAO 01)

It has been seen that this movement of staff MAO 01 refers to above correlates with the relative profitability of the sectors (see section 6.3.3 for a discussion about the hierarchical nature of poaching). The financial muscle of the higher-end sectors will therefore cause an outflow of seafarers from the lower-end sectors. Consequently, this accounts for the reported flow of seafarers from the dry cargo to the liquid sectors, and from the liquid to the gas sectors.

In this way, the supply of seafarers among the different sectors is linked; relative demand (as indicated by the relative wage levels) results in the movement of labour. The following quote indicates the movement of senior officers between the sectors due to the attraction of better wages.

. . . [among] the senior officers between different types of ships there is also certain movement; let's say, like chemical tankers we can pay very high, so those bulk carrier senior officers can try to get some experience from somewhere and move across to specialised vessels but [this] then causes a shortage and causes the wages in bulk carriers to rise as a consequence. (SC 08)

The above quotation by SC 08 indicates that higher wage levels in the chemical trade may entice officers from the bulk trade to cross over. In doing so, this causes a relative decline in the supply of officers in the bulk sector and in a rise in wages in the declining sector.

Another cross-over movement of labour is from sea-based positions to shore-based jobs. Seafarers are in demand not just for the onboard positions they are certified for but also for shore-based positions. Hence, both the sea and shore vacancies impact on the demand for seafarers in the labour market. Participant MAO 01 (below) cites company expansions as a reason for the rising demand for seafarers to fill positions onboard and ashore. Here, company expansions often result in an increased need for personnel with sea qualification and experience for both sea and shore positions.

One of the ... associated problems, comes from this - with [the] degree of expansion in shipping, of course [this] creates a lot of demand for more staff on the ships. But what it also does is create demand for more staff in the ship management offices ashore. And where [can] they . . recruit their staff from, but from ships? So there is a problem there. (MAO 01)

When recruiting staff for shore vacancies, familiarity with the company and its systems is an added advantage. Therefore, companies often utilise their seafarers who may want to come ashore to fill their shore vacancies. Participant SC 03 (below) explains how his shore office requirements affected his crewing deployment because of a strong preference to place former sea staff in a shore position because of company familiarity.

Yes, 90% of the management people sitting in this office are our sea staff. . . . Of course it affected us when we brought somebody out, but remember we have the requirement[s] in the office also. For the one on the ship, I can

still pick up one from the market and put him there, but for the office I cannot just pick from the market because he doesn't know my system, he doesn't know the operations. (SC 03)

Another example of crossover demand may be seen from the offshore sector. Demand for seafarers in the offshore sector has infringed upon the cargo carrying labour market, as participant MAO 08 explained below. Like the other energy trades, the offshore sector is also able to pay seafarers quite well. MAO 08 comments illustrate that the sector was able to pay seafarers well enough to entice 'deep sea' seafarers to switch over.

[The o]ff-shore industry is still doing fairly well. It was also booming during the shipping boom; I mean they were getting fantastic charter rates. The supply boat can get the same charter rate as a Capesize³⁰ (it's crazy) – over \$100,000 a day, that kind of number. And they were paying their officers \$20,000 a month. That's why Keppel and Sembawang were getting all these orders – all the rigs and platforms, a fantastic number of orders. Even the support vessel orders, they were also ordering a lot of new ships – people like Jaya, Ezra, and all that. So you order all the ships, where's the men? So they started poaching from shipping. (MAO 08)

However, another reason for this increase in demand for 'deep sea' seafarers to operate offshore vessels was the change in certification requirements. As SC 12 explained below, the sector was previously not as developed and its vessels were much smaller. Consequently, the personnel needed for the operation of such vessels were seafarers with 'near coastal' qualifications (which meant vessels less than a certain size and trading in coastal regions only). However, the recent boom in the offshore trade, accompanied by an increase in the size and technological sophistication of such vessels, has made it necessary for seafarers to be qualified beyond the 'near coastal' level. At this point, offshore companies required officers to be certificated at the 'foreign-going' or 'deep sea' standard which is the level at which most seafarers are qualified for cargo carrying vessels. Hence, this demand for 'deep sea personnel', adds to the strain on demand for seafarers with 'foreign-going' certification.

Traditionally on the offshore side (I'm talking about maybe 10 years ago), most of the ships were run by 'home-traders' – in other words, they [were]

³⁰ Capesize are cargo ships originally too large to transit the Suez Canal (before it was deepened). They typically averaged around 175,000 DWT and were so named because these vessels had to pass either the Cape of Good Hope or Cape Horn in order to travel between oceans.

Class 3 and below because most of [the vessels] were harbour tugs or those doing trading in coastal regions. But now the anchor handlers are getting bigger and bigger, they are doing more deep-sea tow and north-sea business and things like that – so people are moving slowly [into] the same qualification as the big ships– Class 1 holders and all that. So that’s the reason why, when we talk about shortage of manpower, it’s because offshore side is booming and that offshore side has also taken some of the people that used to be on the big ship side, now they’re migrat[ing] to the offshore side. (SC 12)

Having made an examination of how segments in the industry may be linked via the movement of seafarers within and across sectors, it would next be pertinent to examine the mobility of seafarers. It has been seen that the seafaring labour market is rather segmented and the demand for seafarers between the segments is dynamic. It has also been observed that seafarers may move between trade sectors according to the varying demands indicated by wage levels. However, the degree to which changing demand for seafaring labour may be met in each segment depends in part on the mobility of seafarers. The limitations that will be shown in the following section clearly indicate that it would be unreasonable to consider seafaring labour in a generic sense.

7.3.1 Seafarer Mobility

Seafarers may switch from one company to another because of the better wages offered by competitor companies. Here, the poaching practice of offering more attractive wages and better employment benefits facilitates the movement of staff. Seafarers are fairly mobile within the same sector, but when they switch between companies from different sectors there appears to be an invisible boundary regarding their mobility between sectors.

Switching sectors entails certain inconveniences which should be reasonably motivated by a sufficiently large wage differential. One obstacle when switching sectors is the task of obtaining the required certifications and experience. Thus, the new wages that the seafarer will earn must compensate for the cost of investing in additional qualifications. These encompass time and money for training programmes as well as a temporary loss of earnings. In addition to this, the seafarer may be subject to a temporary demotion in rank as some companies may require seafarers to join at a lower rank while accumulating the necessary experience. The following quotes illustrate with regard to the top four officer ranks onboard, which are the master and first officer (from

the navigation ranks), and the chief engineer and second engineer (from the engineer ranks). (This matter of rank as an obstacle to mobility will be pursued later in this section.)

. . . . if I want to put a master of a bulk carrier onto a tanker, he needs to go a rank below, maybe even two ranks below and then move into the other fleet. (SC 16-2)

Once you get to be one of the seniors in a management level position in the top four, then the only way you can do that is to step down a rank. (SC 01)

Certification and experience are key factors underlying the creation of specialised segments found in the industry. The degree of specialisation is aptly captured by the following participant (SC 14), who pointed out its segregating potential.

. . . . all the trades or all the sectors are specialized . . . and becoming more and more specialized each year. If you look at container ships – as they've got bigger, they've become very specialized in what they can do and how you work in them and things like that. Chemical tankers, of course, 30, 40 years ago – they didn't exist. Gas carriers certainly didn't exist 25 years ago – that's specialized trade. And also the certification required to sail on this ship almost segregates you . . . condemns you to a life in that trade. (SC 14)

Although the segregation of labour is not as severe as participant SC 14 makes it out to be, the specialisation of occupational skills does have an effect on seafarer mobility. Sectors such as the oil, gas and chemical trades require seafarers to have additional certification or endorsements before they are legally able to sail on these vessels. In addition, charterers sometimes impose their own additional requirements on top of the legally required certification. This interrupts the ease with which a seafarer can switch from one trade to another. A seafarer wishing to switch to one of the tanker trades would need to obtain the necessary certification. This added qualification verifies, in part, that the seafarer is able to perform the work onboard. The quotation from participant MAO 01 (below) explains why seafarers wishing to switch to the gas sector are required to have additional knowledge. Because of this, further training is necessary to ensure competence. He also acknowledges that experience is an important part of this competence. This experience is part of the differentiator competence referred to in the previous chapter (6.3.1).

. clearly when you bring people into our sector of the industry from somewhere else, they've got to acquire new knowledge - they're handling liquefied gas that has particular demands and things they need to know. So that implies additional training and you train to demonstrate a competence that they can go on the ships and do the work. But clearly part of this is experience (MAO 01)

Similar certification requirements are essential for the oil and chemical sectors as well. Thus, the additional training and experience that seafarers have to acquire in order to switch to these sectors may be envisaged as an invisible barrier; although it is possible to switch trades, these requirements can restrict the occupational mobility of seafarers.

Here, companies have the flexibility to adjust between their 'threshold' (qualifications legally required for a seafarer to work onboard) and 'differentiator' (best industry practices to ensure the best quality of seafarers operate the vessel) requirements. There are seafarers who have obtained legal certification to sail with specialised vessels that companies would not consider employing; '*. . . . the legal requirements for qualifications to sail on ships can be satisfied. But whether that is actually good enough for what you want is another opinion with risks attached to [it]*' (MAO 01).

It is necessary to understand the circumstances in which bona fide qualifications are obtained. Even before a seafarer acquires specialised training (for instance, in oil, chemical or gas certification) he/she must first have some prerequisite training or experience in that trade as a junior officer. Such prior experience is reflected in his/her seafarer discharge book, and it is this experience that companies check for when considering an officer for an onboard position. However, there is a loophole in this proof of relevant experience. Some vessels are multi-purposed with the ability to carry two or more types of cargo (for example, oil-chemical tankers), but these are often used for only one type of cargo. Notwithstanding this, the discharge book of the seafarer will reflect that he/she has both oil and chemical endorsements, and this is sufficient to be presented together with a specialised chemical tanker certificate for employment. Because of this, participant SC 07 made the following comments:

Then when they sign off they say 'I'm a chemical tanker officer' – he can say that he's carried chemicals but we don't know because in the discharge book it just says he has sailed 6 months as a Chief Officer. . . . That's the thing – there's a loophole here that is not plugged but [there is] nothing we can do. They must attend a Specialised Chemical Tanker Course before

they can be employed. As far as the manning agent is concerned, they have the qualification. Of course, when we [check this] we detect that he has sailed on chemical ships but all the time they were only carrying vegetable oil – you wouldn't [otherwise] know. (SC 07)

In the case of SC 07, his company was able to 'out' the non-competence of the potential employee but the general risk any company has, is when it is under time pressure and cannot thoroughly check for an employee's true competence; in which case, the seafarer may be sent onboard towards a potential accident. Participant SC 04 confirmed the ease with which such seafarers (without the relevant experience) may acquire the certification and find employment in a tight labour market.

. . . . like I say, it's so easy to do if you really want to change your qualifications into . . . for example, tanker and then it is just a matter of time where you will find an employer who is desperate to just find any tanker officer and they will employ you. (SC 04)

There are companies with questionable employment criteria that employ seafarers without the proper experience. The mobility of seafarers between sectors is impacted by such employment policies: *'They don't have the experience to go to tankers. So they are going to some companies, like Greek companies or some companies who are offering a lot of money [to] get their ships moving'* (SC 02).

While there is occupational specialisation between sectors, specialisations may also be found within a sector. One example of this may be found in the offshore sector, which consists of a myriad of vessel types, as the comments of SC 22 (below) illustrate. Specialisation occurs at company level (in terms of the range of vessels which it operates) and at the seafarer level (in terms of the types of vessels that he/she is competent to operate). Hence, it is conceivable that the occupational mobility of seafarers can be limited even within a sector.

Interviewer: So most offshore seafarers have to learn to operate a range of vessels?

Hmm, usually they specialise. So like my company, you have anchor-handling vessels, platform supply vessels – these are the normal ones. There are also other vessels – like seismic vessels, MPSV (multi-purpose supply vessels), FPSO [Floating Production Storage and Offloading], the FSOU [Floating Storage and Offloading Units], then there are also the submersibles, the rigs, the movers of the platforms, many many. And there

are also under the category of offshore the ones who do the maintenance of the underwater pipelines – so they are also under offshore categories. Everybody specialises – each company specialises [as well]. Very seldom [does] a company have everything. (SC 22)

In a similar manner, the junior rank officers also consider themselves to be specialised in the trade of the vessels they serve on. However, at this stage in their careers, a change of vessel type is still possible with minimal disruptions to professional progression. As such, SF 03 (below) pointed out that the mobility of junior officers is less impeded as seafarers see it as a time when they can take the opportunity to gain experience on various types of vessels. Once they gain seniority in rank, occupational mobility decreases as they become more entrenched in a particular trade.

Interviewer: This jumping from one company to another, do you think it has to do with rank? Would it be harder to switch companies if you were a junior officer rather than a senior officer?

Ya, senior definitely – because you have to get used to the procedure. As a junior, it's not necessary, as a junior you would probably look at it [from the point of view] that you want more challenges, so . . . maybe the shipping company does not have a vessel that you would like to go on, a specialised vessel that you would like to have experience on. Then you'll probably jump and try to get [some experience on those vessels], because that's part of your development. [Since] you're not so much involved with the actual procedures of the company as management is – it will not matter to you so much. (SF 03)

SF 04 (below) described vessel specialisation from the perspective of a junior deck officer preparing for the senior ranks. He also illustrated how a seafaring officer becomes gradually entrenched in his/her field of specialisation as he/she progresses up the ranks.

. . . because now we're coming to management level, actually we cannot change now. Because once you have a knowledge of one type of ship . . . and it's a vast subject, it's not that easy. So it's better to stick to your . . . own kind of ships and that is how you manage the issue. Now probably, once you come to Mates and Masters, it's not the salary which is the main thing – because once he's a Chief Officer, he cannot come from container to a tanker. (SF 04)

From the data, it is also possible to perceive some social boundaries that arise with seniority and specialisation. When seafarers have worked on certain types of vessels for some time it establishes them in a comfort zone that dissuades them from crossing

over to other sectors; MAO 03 (below) referred to the social expectations of seafarers once they consider themselves committed to a specialisation. This shows that, at the social level, this sense of specialisation primarily originates from the seafarer's familiarity with the kind of cargo ferried by the ship and hence the type of work involved.

Just running a ship which has goods or running a ship which has passengers has fundamental differences [as regards the] types of things you have to do. so different types of ships will require people to have different competencies to work onboard. It'll be quite rare for somebody who works on a cruise ship for most of their career to just swap and go and work on an oil tanker. . . . I don't think most seafarers, once they've got used to a certain type of life, would .. go somewhere else. (MAO 03)

The familiarity of seafarers with the cargo, the vessel and operational procedures creates an illusory boundary as seafarer participant SF 05 describes:

. you're more comfortable doing those kind of ships. So, like, if suddenly you put a person who's working on a tanker, on a bulk carrier, he will not feel the comfort level over there because it's going to be totally a new system and a new way of things. . . Ya, so he's more comfortable with the [vessel] that he [has] already [worked on] – so [just] as we are in tankers, we prefer to . . .continue with [the] tanker fleet itself rather than shifting to any other. (SF 05)

Therefore, once a seafarer has served as an officer onboard a type of vessel, it is unlikely (though not impossible) for him to switch trades. If he were to switch to a different vessel type, it is likely that the responsible company would deploy him to serve at a lower rank and he would progress upwards from there. The necessary drop in rank when changing trades is explained as follows: *'[As with] senior officers, we will never put a senior officer who has never been on a chemical tanker as a senior officer – [because] he [will be] responsible for the ship, himself plus the crew onboard so it would be quite dangerous'* (SC 13).

We may regard this as social entrenchment which means that as seafarers gain seniority as senior officers, they become involved in the extensive company procedures expected of their ranks. This firmly installs them in a position of familiarity with the system that they would therefore be reluctant to even switch to a different company in the same trade as it would mean having to relearn a new set of company procedures, having to

adapt to a new style of management and needing to familiarise themselves with the idiosyncrasies of a new vessel. Hence, although there are some who would be willing to make the temporary sacrifice in order to switch to a trade with a higher pay scale, sacrifices of seniority and the relearning of procedures serve as a disincentive to most.

There are therefore two types of barriers to the mobility of seafarers. The first relates to job competence and the second to the social perceptions of specialisation and the status of rank.

7.3.2 Differences between Deck and Engineer Officers

The underlying assumptions in surveys such as BIMCO and DREWRY suggest a homogenous labour market where seafaring officers (deck or engineer) may move from ship to ship or sector to sector without much difficulty. However, as has been seen, seafarers are perceived to have specialised skills in the vessel they serve on.

For deck officers, it is mainly the knowledge of the cargo they carry that determines their specific specialties. Here, an officer who is familiar with the cargo work procedures for containers may not be immediately familiar with the cargo work procedures for chemical tankers. For engineers, familiarity with the onboard machinery depends on the type of vessel they work on. For instance, boilers and pumps are more essential in tankers than on container ships, thus engineers working on tankers would be more adept at boiler and pump operations. Notwithstanding this, engineer officers appear to enjoy greater job mobility than deck officers, as SC 14 explains:

You couldn't put container guys on tankers, just as you can't put tanker guys on container ships. [It m]ay be a little .. [easier] in the engineering side because the machinery is machinery, but certainly on the cargo operations side, that makes it difficult. (SC 14)

Seafarer participants SF 01 and SF 02 (below) also verified the relative obstacles faced by engineer and deck officers when crossing over to another trade.

Interviewer: Was it difficult to go from tanker to passenger vessel – was it difficult to work on a passenger ship?

. working tanker and passenger, . . . but for me not [much different]. . . For me not – for engineer side, not. (SF 02)

. but for the deck side, the job completely changes – [it] means [going] from loading coal or crude oil, [to becoming a] hospitality [personnel] (SF 01)

Conclusion

This chapter explored variations of how the seafaring labour market may be segmented. Firstly, demand for officers may be thought of in terms of the sectors in the industry. These sectors are differentiated according to the cargo and the type of vessels that owners require seafarers for. To this end, the labour market is segmented according to the seafarers with similar specialised skills, certification and experience. It has also been established from the data that greater business profitability is linked to certain sectors – here, for instance, the energy sector is generally expected to be more lucrative than the dry bulk or general cargo. Sector profitability is influenced by changing economic conditions and these affecting employers' demands for labour and their ability to attract labour.

Secondly, the demand for seafaring officers may be categorised geographically. The data here reflected how the nationalities of seafarers, significant in the crewing decisions of companies, reflect the various local labour markets which companies depend on. The crux of these decisions rested on the desired balance between labour quality and the price that companies were willing to pay. There was also a perceived hierarchy of nationalities in terms of seafarer quality as well as a corresponding hierarchy of wage levels. Hence, some nationalities were reported to be preferred for vessels that carry high value cargo, have complex systems or have a high risk factor for pollution. Nationality was often used as the basis of companies' strategies in their overall management of seafaring labour. Companies needed to retain their seafarers as follows: to maintain healthy ratios of junior and senior officers, and to deploy them in the most efficient manner. For this, some nationalities were preferred for their perceived loyalty to companies (thereby assisting the retention of labour); some nationalities were known for their lesser aspirations in climbing the ranks, while others tended to be more eager for promotion (thereby helping to maintain the ratio of junior to senior officers); some nationalities prefer regular and longer leave periods while

other prefer to take shorter breaks or no breaks in between sailing contracts (thereby assisting with the roster of crew deployment). Companies' often localised their choice of labour markets by crewing their vessels with seafarers from the countries along the main trading routes that their vessels plied, these routes may be classified as deep-sea, coastal or near-sea trade. By this strategy, companies hope to lower operational costs. Additionally, companies also utilised the advantage of these seafarers' familiarity with the waters, the food and the cultures in the area. Some of these seafarers were described as being more 'suited' to the local near-sea trade rather than the international deep-sea trades.

Finally, the labour market for officers may be classified in terms of professional certification and supplementary industry requirements. All seafarers must hold legitimate professional certificates to qualify to sail in the ranks of either engineer or navigation officer. These certificates also specify limitations in the area and tonnage/propulsion power. Such limitations may also be applicable to smaller vessels trading in the coastal zones and those working in the offshore sector. In addition to this, specialist certificates are required under international regulation for seafarers to sail on ships such as oil, chemical and gas tankers. Hence, industry legislation for certification limits entry to rank as well as entry into a sector. Further to the legal certificate requirements, additional requirements have been imposed on seafarers by individual companies and particular sectors. The oil industry was reported to have imposed additional industry requirements on seafarers in the form of the experience matrix which further segmented the already tight labour market for the sector. This chapter also showed that senior officers were in relative short supply compared to junior officers. However, some sectors were reported to have experienced a senior officer 'shortage' more than others. Within the 'shortage' of senior officers, the second in command (the Chief Officer and the Second Engineer) was reported as being more severely affected. Although such labour scenarios are transient, they reflect the complexities of the labour market.

The segmented characteristic of the seafaring labour market may be validated by the mobility of its labour. The greater mobility of seafarers within the same sector in comparison to mobility across sectors suggests that some sort of barrier exists between sectors which prevents easy movement from one sector to another. Seafarers are

restricted to labour segments by their training (that is, their certification), their experience and their seniority. Despite this, possible avenues still exist that enable them to switch over. Here, the data indicated that the switch between segments may be easier for engineers than for navigation officers. Moreover, while labour market segments are relatively separate, they are also linked. The linkages between some labour segments may be seen in how labour demand and supply cross over from one sector to another; a relative shortfall in one segment (such as the LNG sector) will result in increased wages for that sector. This relative wage may induce seafarers from other tanker operators to switch over to the better paying one. Moreover, the distinctiveness of the segments may be seen from the speed at which labour can switch to a more lucrative sector (paying higher wages and better employment conditions) from a less profitable one.

The segmentation of the seafaring labour market may progress in a combined fashion beyond the sector, geography or industry legislation and their requirements. This horizontal and vertical striation of the labour market will be discussed in Chapter 9. Thus far, the focus has been on the workers and their provision of labour. The next chapter will consider the labour market in terms of employer and employment relations.

CHAPTER EIGHT

Ownership Matters

Introduction

The previous chapter addressed the variegated nature of the seafarer ‘shortage’ according to the criteria utilised by those managing ships. It was seen how the seafarer labour market may be fragmented into trade sectors and how the experience of the labour ‘shortage’ was particularly pronounced for companies engaged in the tanker trade. However, the crewing situation was also determined by other factors, such as trade routes, rank and nationality. In this chapter, the discussion will turn to focus on companies. There will be an exploration of the links between ownership, organisational culture and employment. Currently, the labour market operation involves the process of the mutual choices of employers and workers – and is also about how employers choose and have preferences for particular kinds of employees (see Chapters Six and Seven); it is also about how employees choose their employers

This chapter reflects on the kinds of companies seafarers may prefer to be employed by; here, companies model their organisation based on what they believe will attract and retain seafarers (that is, what seafarers look for in companies). The chapter therefore begins by considering the various companies in the industry that are employers of seafarers and discussing the sea-shore divide that may occur between seafarers and shore-based management. The second section will explore the strategies that companies follow and which can impact on the sea-shore divide. The third section will discuss particular characteristics that influence the way companies operate. The fourth section examines the factors that affect the ability of companies to attract and retain employees. Finally, the fifth section will discuss the motivation for companies to take steps towards alleviating their experiences of the labour ‘shortage’.

8.1 Owners and Employers

To appreciate the complexity of the organisation of shipping companies, consideration

should be given to the following description by Schrier Nadel and Rifas (1985):

Ownership of ships in marine transportation ranges in complexity from individual proprietors to independent corporations, to corporations of one country that are subsidiaries of corporations of another, to joint ventures of corporations of several countries, to government-owned organisations. (Schrier, Nadel and Rifas, 1985:15)

It is therefore not surprising that the ship management companies which grew out of some of these companies would inherit some of the complexity. One of the significant developments in the history of the shipping industry is the birth of ship management companies (also known as Third Party Managers). In Chapter Two it was seen that some of these were formed from the spare management capacities of ship owning companies during the 1980s' recession. Others were independent companies that developed from the demand of small-time shipowners for ship management expertise. SC 01 (below) illustrates the changing scenario between shipownership and ship management.

In those days, people that own[ed] ships generally operated their own ships and ship management only really developed in the ... 80s and then into the 90s; the requirements to own a ship became quite onerous So, in order to operate your ship now, the level of technical expertise and backup that's required from the shore means that it's difficult for one guy to operate one ship on his own and they tend to go to ship managers. (SC 01)

It has now become more cost effective for many shipowners to subcontract the management of their vessels. According to Mitroussi (2004), what shipowners value in outsourcing parts of their operations to third party managers is the access to expertise, the flexibility this affords them, and access to cheaper crews. Ship managers have also been credited with supplying a vehicle for changing employment contracts and employment styles (Spruyt, 1994).

At a later stage, some larger ship owning companies deliberately fragmented their business (for instance, by creating separate companies for ship owning, chartering and the operation aspects of their business) and made each company a discrete cost and profit centre. In recent years, further fragmentation in the shipping business has seen crewing agencies (specialists in the acquisition and management of seafarers) coming onto the scene. Both ship management and crew management companies have become the largest group of transnational employers of seafarers (ILO, 2001). Consequently,

employers of seafarers may fall loosely under one of the following categories:

- i) Owner-managers
- ii) Third-party Managers
- iii) Crewing Agencies

These classifications do not strictly fit for all companies in the industry as their businesses may be a combination of any of the three categories. My data suggest that shipping is a diverse business and its organisation can be rather confusing. This observation is also evident in a number of academic literature (Alderton, *et al*, 2004; Spruyt, 1994). Many owner-managers engage in third-party management to some extent. It is also not uncommon for them to have chartered vessels (vessels which they do not own) in their fleets, which they may or may not be managing themselves. Alternatively, owner-managers may purchase specialised vessels which they do not have expertise for and then give them over to management. Both owner-managers and managers may sub-contract all or part of their crewing needs to crewing agencies. A further complication arises when companies declare themselves 'Independent Management Companies' but which have actually been set up by a larger business group that owns the main portion of the fleet they manage. Crewing agencies themselves may engage in some ship management activities as well. Consequently, there is no clear and obvious demarcation between these three categories of employers.

8.1.1 Sea-Shore Gap

The fragmentation of the shipping business referred to above created the concept of third party management, where the conventional practice of the shipowner as the ship manager was discarded. This growth of third party management in the industry led to the phenomenon of the separation of ownership and management (Mitroussi, 2003; 2004). The reasons for companies engaging in third party management are mainly commercial as the ability to take advantage of a third party manager's economies of scale means shipowners can lower their operational costs. In the process of outsourcing management functions, the shipowner has therefore become dislocated as the employer of seafarers (Shiptalk, 2007) and the effect of this exacerbates a sea-shore 'gap' that exists between employers and seafarers. This gap may manifest itself as a divide between company management and seafarers or between shore staff and sea staff. SC 05 identified a schism between the company management and the sea staff.

. there's a cultural barrier between the two and we wanted to (if not break it down completely) then certainly break it down a little bit, so you didn't have those two [categories:] 'We're the commercial people, we don't talk to seafarers' and on the other side ... the seafarers saying 'We're seafarers, we don't talk to commercial people'. (SC 05)

Although this is expressed quite mildly, it does illustrate a divide between shore management and sea staff. Here, there is a reference to the gap generated when sea and shore-staff fail to understand each other. According to SC 05, shore-staff are only remotely aware of what goes on onboard a ship and have little appreciation of the working environment onboard a commercial vessel. It was likely that they had never been onboard any kind of ship and/or may have no interest in what it may be like. However, the barrier between sea and shore staff seems to constitute more than a cultural lack of understanding between seafarers and shore-staff who are ignorant of life at sea. This sea-shore gap also exists in the conflict of interests between company procedures and seafarers' professional ethics. Seafarers have indicated that some companies have questionable procedures which their seafarers are compelled to follow. These procedures seem to have harmful consequences for onboard safety and/or the environment. Here, seafarers may become caught between carrying out the proper industrial practices and the methods that their companies advocate (Abou-Elkawam, 2011). This conflict in aligning international regulations and company practices can lead to a disintegration of sea-shore relations, as SF12 explains.

. if you are following the IMO rules [and] you're not following your company procedures, the wrong procedures, then what they will do? Sometimes they prolong your contract – they don't send your reliever in time if they're having some clashes with you or if you're a chief engineer maybe they will not provide you [with] the proper spares. if you are asking some other thing, they will not [provide this] in time. (SF 12)

The sea-shore gap varies with between companies. Essentially, there are companies that possess characteristics which are universally accepted within the industry and which are considered to be desirable and ones which are not. Organisations, seafarers and even companies themselves are in common agreement about the characteristics which determine whether a company is 'good' or 'bad'. Here, the underlying criterion between good and bad companies as defined by the participants seems to be how well a company is able to bridge this gap between its sea staff and its shore management.

8.2 Company Ethos

What differentiates creditable companies from those which are not? There appears to be a company ethos that is valued by the industry. This has been described as ‘organisational culture’ and is most often associated with family-owned businesses. Generally, such a company culture is perceived to be traditional (that is, developed over time and generations) and cultivates a personal relationship with its employees, instilling a mutual sense of loyalty between them.

The family-owned businesses which are still in control of most of the operations ... are ...[the].. ones (who) still have the traditional cultures. They still look after their own people – there’s a sense of loyalty, there’s a sense of permanency. Companies like even BW Shipping, still [have] that old culture ... there. And you know [the company] OOCL, it’s still very much family-owned – the culture is still the same. (MAO 08)

Organisational culture may pertain to a company’s policy toward shipboard practices these being linked to safety and the environment. These procedures form part of a company’s ‘system’, which is acknowledged by both seafarers and companies as ‘company culture’: ‘. . . . they know our system, they have our culture’ (SC 10). In a sense, the more a seafarer is in tune with a company’s culture, the more he/she is considered to be of the level of quality the company is seeking. From the company’s perspective, employers look for how well an employee fits into the organisational culture.

It is assumed that there is a ‘rub-off effect’ of a desirable organisational culture on the seafarer. Hence, in the employment process, companies often look at the former employers of their potential employees: ‘[W]e’re looking for people that have been ... sailing for reputable companies’ (SC 01). In this way, the reputations of previous employer companies reflect the organisational culture that the seafarer has been exposed to and thus provide an indication of the standard which may be expected of the seafarer: ‘[T]he companies which he has worked for earlier, which definitely give [an idea of] his work culture and all these things’ (SC 21). Some companies have a favourable attitude to the reputation of their counterparts from the same country. For instance, SC 11 considered other Japanese companies in a favourably light – assuming that seafarers who have worked for other Japanese companies would have exposure to a

certain organisational culture which would predispose them to fit in well with his company's culture.

We look [at the] companies they worked for [which] would have some standard - would be aware of some standard procedures, some standard level of quality [that] fit[s] into our system and culture Somebody who worked for some years in a Japanese company will be welcomed. (SC 11)

Organisational culture is an important determinant when a company is building its pool of seafarers; one of the reasons that companies wish to build their own stable pool of seafarers is so that they can instil their organisational culture into their employees. They do this mainly through their training programme since training is an important way of inculcating organisational culture. It may be recalled from Chapter 6 that training involved both formal skill training as well as informal training programmes. The latter includes company familiarisation programmes, these constituting one of the means that companies use to bring their seafarers closer to their organisational cultures. Hence, companies find comfort and confidence in a carefully built up pool of seafarers who are imbued with a healthy dose of their organisational culture. As a result, they may express reservations about having to employ from the open market: *'If you recruit somebody outside our own system, there's a lot of pressure to make sure that that person can fit into our culture'* (SC 09).

Hence, when a company plans to substantially increase its fleet, organisational culture is a particular concern, especially when they face the prospect of having to employ additional seafarers from the open market. Their concern is with whether these new employees would be able to adapt to their organisational culture.

It was a very challenging time when we took over ships and existing crew onboard. Firstly, you cannot stop the ship from running, so we had to employ additional people ... even taking people from our pool to put onboard ships to sail with the ship, in the hope that the new ships and crew [would] adapt to our company culture and systems (SC 09)

Here, it may be assumed that good companies look for 'good seafarers' and good seafarers look for 'good companies'. In the following excerpt participant SC 09 first referred to the concerns of seafarers regarding the culture of a potential employer company. He then gave an alternate view of the concerns of the potential employer.

In sum he captured the mutual concern of a cultural-fit between seafarers and employers. He articulated his awareness of how conflicting cultures may accompany new employees joining the company.

Then again, company culture, it varies from company to company and they have to make sure that they fit – and whether they like the way you are operating your company. And likewise, we also need to see whether we like the way he’s going to be running the ship. Because we have to bear in mind that this person is coming from another company, whether he is going to adopt your company culture or he is going to bring in his previous company culture and put[it] into your ship and that could upset the balance onboard. (SC 09)

Seafarers, for their part, judge a well-run company by gauging the methodical nature of its procedures, as seafarer participant SF 01 stated: *‘[T]he company has a system, no hanky-panky stuff – [which] means they have a systematic way of doing things, no chaos, no confusion about things, clear. Not only the HR side, the operation of the ships as well’ (SF 01).*

Participant SC 02 spoke of some seafarers who returned to his company after serving contracts with other higher-paying companies : *‘In fact, they were told to leave because they were against the management. The management was telling them to do things which were not correct’ (SC 02).* He was referring to an instance when some seafarers did not agree with the system implemented by the management of a company and consequently did not fit in with its culture. These seafarers returned to their former company, realising that the improved pay they had received did not mean better working conditions. This was reminiscent of the sea-shore gap mentioned above between company shore management and sea employees. The manner in which companies operate their vessels is important to seafarers. As participant SC 03 indicated: *‘[The] quality of your vessels and your operating standards’* are significant for the retention of seafarers.

Additionally, from the seafarer’s perspective it is important for companies take a positive interest in the living arrangements and working conditions of seafarers. Reasonable living conditions include comfortable living arrangements, as well as recreational and communication facilities, these being a sign of a good employer.

Facility wise, of course, on basic equipment, you must have basic things – maybe [the] internet is not a priority but for me, I would like to have a fitness room, then recreation like some DVDs, you know, movies and so on. (SF 10)

Working conditions are assessed according to the company's safety policies, the quality of the vessel provisions and other onboard supplies for maintenance and repairs; and whether these are given and replenished in a timely fashion, as the following illustrates:

If the ship is staying [longer] on the anchorage to cut short the expenses like fresh water and provision, they don't provide the fresh water and provision in time. They say 'okay, just [content] yourself with this food and this water until your ship is alongside'. (SF 12)

Thus, seafarers' concern is how well the company treats them and allows them to do their job. The organisational culture of the company determines how it treats its employees in terms of respect, empowerment and support in the execution of their duties. However, organisational culture seems to hold more significance for officers in the senior ranks – SF 03 points out the importance for senior officers to have the support of company management:

The culture, it has become very important – the culture of the company. Now that I am in a senior position, the culture is very important because it is how they treat you, and how they give you the flexibility to decide – because you are the man on the spot, you have to make decisions. So it's how they back up your decisions. (SF 03)

SF 01 and SF 10 (see below) both are of the same opinion when they referred to their priorities as senior officers as differentiated from those at the junior ranks. SF 01 was a Chief Officer while SF 10 was a junior officer completing his higher level certificate and preparing to become a senior officer. For them, monetary rewards assumed a secondary importance while other non-monetary factors gained importance. Assurances of the cultural suitability of the company appeared to be of prime importance.

Now at this stage, at this rank, I think money comes second – the first thing is peace of mind. If the ships are good, well-maintained. .err running well, At this rank now, the preference is [for a] more systematic way of working; good, well-maintained and well-operated ships, with good officers. (SF 01)

. *all the additional incentive that concerns money is definitely a welcome sign but more important is the working environment – how safe can the employer make me feel. Because [the] working environment, I feel that if it's good, maybe an extension of a one or two months' contract onboard doesn't matter, (SF 10)*

Another important aspect for seafarers is how companies deal with the commitment of errors - this being an indication of how fair they are perceived in their assessment and management of workers' mistakes. Companies which cultivate an organisational culture that deals with errors in a positive manner are judged accordingly by seafarers and this influences their ability to attract and retain employees.

. *every company says yes their policy is a 'no blame' culture but how many actually follow this one? I think if you look, in every company system, I think you'll see this [claim]. But the companies who actually follow [what they say] – I think all these compan[ies] have got people. So far [as] I know, those who follow or , they get their people. (SC 21)*

And there's no quick-fire [approach] just to sack any guy because he's done some mistake – nothing like that. We go through the process, we give them every chance to improve and they know that, so they're also more open to us. (SC 02)

8.3 Company Attributes

8.3.1 Business Objective

Beyond organisational culture, there are other factors which contribute towards determining a company's reputation and these underscore their strategies to seeking solutions to the crewing crisis. From the data, two major attributes of companies can be distinguished: a genuine interest in the business and a desire to invest in the business largely as asset holders.

Companies that have a genuine interest in the shipping business are depicted as having a long-term interest in the business; it is this long-term objective that gives them a high regard for continuity. They are therefore motivated to ensure a continual supply of labour for themselves and are also concerned about the quality of the seafarers they employ to operate their ships. Genuinely interested owners are also perceived as being

concerned about their corporate image in order to attract major clients and good freight rates.

[It d]epends [on] the type of owner - if you take an owner with an intention to carry on trading as a shipping company and to make money by operating ships, by actually getting charter revenue and carrying cargo from A to B as a long term business, then they absolutely care about where they're getting their seafarers from, they care about continuity, they care about developing their senior officers so that they are fully skilled. (MAO 04)

In contrast, asset holders are investors whose interest in the shipping business lasts for as long as there is a profit to be made. They are only interested in holding onto a ship as an asset for as long as it takes to yield a profit before selling it. They are thus, not too concerned about who crews their ships. Their plans for the business are not for the long-term and therefore they would not be worried about the quality of the seafarers who operate their ships nor about their professional development.

If the owner is actually interested in holding an asset (that is, a ship) and holding it for long enough until either they make some money on the charter rates or (as has happened an awful lot in the last few years) they can trade the asset itself to make the return. If they are actually trading assets, they actually don't care – they just want somebody to be put on the ship. (MAO 04)

According to MAO 04 (above), such asset investors are in the minority and they usually do not become directly involved in the running of the business. Instead they have little regard for continuity of the business, often outsourcing the operations to management companies and crewing agencies.

So it depends on what the owner's in it for – if they're in it for the long term to operate ships, they will worry and they will develop their own people and they'll actually try to establish . . . long-term relationships with their recruiting bases, relationships with training establishments. If they're in it to actually make money from trading assets, they don't care and they actually see seamen as [a] commodity – as a commodity product, undifferentiated apart from the price. (MAO 04)

Thus, for MAO 04, the difference between owners who have a genuine and long-term interest in the business and those who are interested in asset investment is in their concern about the personnel who will operate their vessels. Asset holders are not usually worried about where their supply of seafarers comes from; they would not be

interested in developing the expertise of their seafarers or cultivating a relationship with them. They would also not be motivated to establish network links with agencies or training institutions which could provide them with the good quality seafarers. The SC participants identified similar asset holders who came onto the scene during the 2003-2008 economic peak of the industry. SC 14 (below) implied that many of these opportunistic investors were ‘marginal operators’ who broke into the shipping scene because of the ease of acquiring financing to buy a ship: ‘. . . you’re not going to get that with the marginal operator. A lot of people got into shipping in the last few years because it was a great way to make money’ (SC 14). Other vocabulary used by participants to describe these asset holders include ‘fly by night’ (SC 02, SC 03) and ‘karang guni’ (SC1 5) operators. The first term suggests that the existence of such companies may be fleeting. ‘Actually, to put it as ‘fly by night’ operators – it’s not a very good term but there were a lot of people who wanted to make [quick money]’ (SC 03). The second term is a local expression used in Singapore, this being equivalent to a ‘rag and bone man’ and the expression implies a business that is founded from discarded scrap, thereby hinting at a makeshift venture. The opposite of what these terms refer to would be companies that are concerned with their reputation and/or whose businesses are certified by quality systems like the ISO (International Organization for Standardization).

8.3.2 Familial Tradition

As mentioned in section 8.2, companies which possess a positive organisational culture were mostly associated with family-run companies, these being most likely to have a genuine interest in the shipping business. Traditional shipowners were sometimes associated with former seafarers who started their own companies. Historically, family ownership was an important part of the European shipping scene and at one time owner-captains were commonly found in coastal trades (Lane, 1986). Such familial owners were expected to have a closer and more cordial relationship with the seafarers who work onboard their ships, as SC 15 described:

. before it was ... tradition, ..[the] shipowners were also old seafarers – seafarer-started companies, and they were loyal to the industry and then they... [became].. close to the seafarer. Now the owner and seafarers are apart – they don’t have [the] same goal, so then of course everything go[es] haywire. (SC 15)

Traditional companies were commonly associated with companies which owned and operated their own ships. Today, many traditional shipping businesses still maintain their involvement in the running of the company to varying levels. Although they may sub-contract parts of their operations, they maintain their involvement by retaining critical sections of the decision-making process (Mitroussi, 2004). These companies were portrayed as possessing a ‘culture’ that values a sense of loyalty and a sense of permanence. *‘Even the old Mr AP Moller, now maybe 90 years old, still bothers every now and then to meet with the ships’ officers. You can see he takes the trouble to meet the ships’ officers’ (MAO 08).*

The impression of stability and involvement of management in the family-owned business helps to establish a sense of loyalty in its staff. It conveys the message that the company would take pains to take care of and treat their staff well and consequently, many staff remain with them. It is not surprising therefore that traditional owners are perceived as ‘good operators’, concerned with quality, safety and environmental issues. SC 14 below, who worked for a large, family-owned company, reflected over how the downturn in the economy would affect ‘good’ and ‘bad’ companies. Naturally, he included his company among the ‘good operators’, these being capable of enduring the crisis of the economic downturn.

To some extent the current situation with shipping is almost pleasing because it will sort out the bad operators, the bad owners and put ..[them] back, hopefully, in the hands of traditional owners such as the Schulte family, the Maersk family and the people who have a very good standing – they’ll survive. (SC 14)

Good companies are concerned with cultivating staff loyalty, so that they can raise their retention rates. These initiate programmes that ensure that both the seafarers and their families are well taken care of, such as those that participant SC 05 refers to below:

. we would have to initiate far more comprehensive programmes to retain the crews, to the extent that we now have ships trading with full broadband access from ship to shore, so that our seafarers are able to stay in contact with their families 24/7. And if that means we need to install a computer with their family so that they can stay in touch – we actually [do] that. I mean, there’s no point in having full internet access from the ship if your family doesn’t have the internet access. So we had to. . . we offered medicare schemes, not only to the seafarers but also to their families, and we started to review how we could contribute to their education of their

children. So we took [on] a lot of initiatives . . . at home. [at] grassroot[s] level – our agents would station people closer and closer to the homes of our seafarers. (SC 05)

Speaking from a family-owned company, the human resource programmes which SC 05 described indeed sound quite impressive and generous. Going beyond the usual provision of communication onboard and the medical scheme for the seafarers, the company demonstrated that it had a holistic concern for its employees. This company's caring culture was therefore achieved through its specially designed retention strategy. Other companies interviewed also reported having schemes to encourage staff retention. Participant SC 14, from a very large company, listed nine relatively universal programmes commonly mentioned by participants. The HR programmes identified by SC 14 were: a family day, network support (for spouses and families of seafarers), a career path, senior fleet officers' meetings – this being a general forum (for expressions of frustration), rejoining incentives, seniority bonuses, pension schemes and an educational fund. These programmes reflect a holistic approach to building employee relations by creating a professional and emotionally supportive environment as well as rewarding employee loyalty.

In recent times, there have been some significant changes to the nature of company ownership. From former shipowners with some personal connection and interest in the shipping business, a new category of shipowners has evolved that has neither a connection to nor a genuine interest in the business. This has resulted in the subsequent schism between shore-based management and the ship-based seafarers identified earlier by SC 05 (section 8.1.1). This sea-shore gap has been attributed to the divorcing of functions between ownership and business operations – here, many owners do not play a major role in the running of the businesses and therefore do not have a priority for building a positive relationship with their seafarers. Thus, their business priorities (including any implicit policy on employee relations) would be left to their management staff. SC 15 gave a good example of how such dissociations may come about:

Then the traditional companies [were] bankrupted one by one by one and then they were [taken over] by management companies and then nobody [knew] the [real] owners It happened like this for a very, very big Swedish company, the Salem; they were a very big shipowner and it was a

ship-owning managing company. It went bust so the Swedish government came into the picture .[as] they [had] to organize something because the company was so big that it would have an impact on the whole Swedish economy if they [didn't] get the ship running. So the management company was formed from [the] people in the old Salem management. So the ships [were] sold to those people who have money to buy ships and this management started managing them (SC 15)

Thus, the contemporary ship owning company may be publicly-listed (as in the above example), privately-owned (as with the small asset holders mentioned in 8.3.1) or owned by financial institutions (as in the examples given below).

SC 03 below laments this demise of the traditional shipowner. He emphasised the gradual change in the pattern of ownership and the changing priorities of companies, which had a focal emphasis on commercial profitability as well as a lack of personal interest in operational issues.

You see, the days of the traditional shipowner has nearly disappeared – you find very few traditional shipowners. What you see today is ships owned by banks, by financial institutions, everybody who can make a little bit of money. That's the problem. I mean, they have no commitment – they're only looking at 'what is the bottom line? I buy the ship for 35 million, I make so many million a year up to 5 years, I sell this ship, I make a big buck. Okay, let's buy it.' Get somebody to manage the thing – so they're not bothered. (SC 03)

MAO 02 (below) gives a more specific timeline of this change, while MAO 03 (below) characterises such non-traditional companies as pure asset holders who have little genuine interest in the business of shipping (section 8.3.1). Their purpose of ship-owning is as an investment to yield dividends for their shareholders.

Because, let's face it – we have, after the 70s. . . today you have to recognise the traditional shipowners of the 60s [are] no longer there... today most of the ships are owned by banks. (MAO 02)

But [at the] end of day, sometimes shipping companies aren't actually really even an entity – they are a funding mechanism from a bank who invest in a capital asset of a ship and just [wait] for it to make a profit in return for their shareholders. (MAO 03)

These non-traditional companies are perceived as lacking a sense of personal touch and having no interest in their employees.

But the worst kinds are the public listed companies – the ones like [Company N]. Who owns the company? [Company P] is listed as the main shareholder – what does [Company P] know about shipping? What does [Company P] care about shipping? ‘I’m just an investor. I don’t care how you run the company, as long as you give me my dividend’ (MAO 08)

The mindset that MAO 08 speaks about above may account for why such companies do not generate the same level of loyalty among its seafarers as the traditional family businesses. Loyalty is partly facilitated by the stability of the company’s management. Therefore, unlike traditional companies, it may not be clear to the seafarers in these companies who they should be loyal to. Since the CEO of a company sets the general policy for the company, a change in the person filling this role will also be accompanied by a change in its policy.

Loyalty to who? If you say ‘loyalty to the CEO’ but the CEO changes. Even the Board, ... also doesn’t care. You know, I always ask these corporate companies – publicly listed companies – ‘how long can the CEO last?’ Whenever the CEO changes, the company changes. So [employees] down the line – how [far ahead] can they [look]? (MAO 08)

The transient characteristic of the management makes it difficult for the company and its employees to realise any long-term objectives. Company goals will probably change with new leadership and this changeability will be translated downwards from the management staff. Consequently, these changes to the ownership of contemporary companies have affected the relationship between owners (management) and seafarers.

8.3.3 Size Matters

Investors who were interested in holding on to assets were often portrayed as small companies (see MAO 07 and SF 12 below). They were typically type-cast as those looking to make a quick profit by buying old ships in a poor condition, sailing them for a few voyages and then scrapping them after. This accounted for their small size, their lack of long-term interest in shipping, and their consequent lack of demand for quality crew. They were also portrayed as maximising their economic advantage at the expense of good safety or environmental practices, as SF 12 indicated.

. . . but there are also smaller ones – they just want to make quick money, they buy over the ships – you know old ships, some are already rust buckets, they just buy and run. . (MAO 07)

. these are only the bad companies I'm talking about. which are just manning two, three ships they just want.. [the].. economical conditions.. [to]... be there – because if you discharge the sludge or the garbage overboard to the shore, they will [be] charge[d]. (SF 12)

As a result, the requirements for the seafarers who will operate their vessels are far from stringent. Their main responsibility is to ensure that the seafarers are legally certificated but they are not particularly interested in how well they will be able to operate the vessel.

. they just pick up somebody and say 'you just go onboard the ship and you just run the ship'. [This is regardless] whether this person is competent enough – he may be qualified, he may not be competent enough to be in charge of the vessel. (MAO 07)

Smaller companies with less financial and shore-personnel resources have been described as follows:

And I know myself that, one or two shipping companies where they run a business where they maybe have 10 ships and they have a total staff of 200 – they can't afford to have a big training department, they can't afford to have an engineer who specialises in certain things. (MAO 03)

On the other hand, larger companies are able to consolidate their resources. These are perceived as organisations which are relatively more structured and organised with specialised units or departments for a particular set of tasks: *'The large ones they havea properly run company, they have the structure – the proper structure, they [have] got [a] Safety Department, they [have] got [a] Training Department'* (MAO 07). By the nature of its size, a large ship management company would be compelled to think longer-term as regards its recruitment and training of seafarers (Spruyt, 1994). Many of these have a sizeable budget which comes from the training levy they impose on clients to run a properly planned training programme and to ensure the future supply of seafarers. MAO 09 highlighted the advantage of larger companies, emphasising their organised nature with maritime regulatory systems, such as having the International Safety Management (ISM) Code in place. *'[Because] the bigger companies ... have all the ISM, they have all these things in place – you can see there is a clear divide between some of those one-ship companies, two-ship companies and the bigger companies'* (MAO 09).

Besides being perceived as being more organised, working in larger companies is also considered to be more challenging or exciting for seafarers. These companies have a fleet variety which means that the seafarers have the chance of working onboard a choice of ships. Hence, SF 03 (below) expressed his preference for working in a company with a more varied fleet.

. the smaller ones may not be as well-organized and you don't have the fleet diversity, So now, if you go to a company with a bigger fleet, you have a choice of vessels that you can get experience with, and there's always a challenge because you would not know what vessels you're going to, what situations and variety of routes that you may be faced with. (SF 03)

In addition, some have set up their own training schools and/or training ships. Through their training programmes and facilities, they can effectively plan their labour needs and training. Because of their size, larger companies are able to plan ahead for fleet changes and crewing needs. This ability to plan ahead enables them to assure themselves of some level of certainty; their ability to plan and manage their seafarer resource pool also contributes to the perception that they are organised and structured.

. . . because, with the very big ship managers like [Company W] and all that, okay because they have reached such a big size, hundreds of ships – they can plan. Some of them can even set up their own training schools in India. (MAO 08)

The big [Company M's] and stuff will have a whole big corporate headquarters, [a] department of people who run a specialised training academy and all sorts of things. (MAO 03)

. let's say big companies like [Company N], [Company M], or [Company K], they can actually predict and say 'Next year, we're going to have another 200 ships or 50 ships. [Where's] my crew going to come from?' So they need to think a bit ahead and start to train. (SC 08)

The above quotes from MAO 08, MAO 03, and SC 08 give the impression that larger companies are able to exert more control over their situations because of their ability to plan their training needs with the help of their own training resources. In the process, they are also seen to be more organised and systematic in their strategies. Ultimately, this affects their business potential – their perceived stability attracts potential seafarers. With more resources and their own exclusive training facilities they are able to train and build their own dedicated pool of seafarers. Here, big companies are often

perceived to be more dedicated to the training of seafarers and to have less of a problem with the experience of the ‘shortage’ of seafarers. However, this does not mean that they do not experience labour problems, merely that this is perceived by the industry as being less pronounced: *‘I don’t think those big companies like [Company M], [Company N], that they are facing this problem These bigger companies they have their own pool of officers, I don’t think they are facing this problem’ (SC 07).*

Investing in training programmes and facilities builds a positive reputation for these companies and gives them the leverage to attract potential seafarers.

. and with their strong brand name like [Company M], it’s easy for them to attract [seafarers] (SC 19-1)

All these things about recruitment, you know if you talk about all these big names, I think they are still attracting [potential candidates] – you know why? Because when you get into this company, then you can put .. this name on your CV. (MAO 08)

The ability to arrange timely relief seems to be associated with big companies. This is an important issue for seafarers as it means that they do not have to extend their onboard contract. Since the extension of contracts (section 6.3.5) has been identified as one of the symptoms of the crewing ‘shortage’, then the experience of the labour ‘shortage’ would have been less severe for large companies. The key to the ‘timely relief’ as indicated by SF 13 (below) is the ability of large companies to comfortably manage the deployment of their seafarers on a consistent schedule.

Some of the company like [Company M] and other companies, they have a very fixed system so the person who has joined the ship, we know what kind of vessel he’s joining, when is the time he will be relieved, who’ll be coming to relieve him. So all these factors count in a big company, like probably [Company S], probably [Company M] – some of the companies. But other companies, those who are dealing with only say 10, 15 vessels or 20 vessels,they have these kind of problems of timely relief. (SF 13)

8.3.4 ‘Growing’ Companies

A company’s labour needs should correspond to the size of their fleet. However, there are two reasons why fleet and crew planning may not be synchronised as such. Firstly, the duration of training an officer to the junior level tends to be relatively protracted (an

average of 3 years) compared to the duration needed to build a vessel (about a year). This means that planning a fleet expansion, either through the ordering of new vessels or the buying of second hand ones, and the planning of labour supply through training will not be synchronised. Secondly, the nature of the shipping business tends to be changeable, where business decisions (regarding fleet changes) are made on a relatively short-term basis. Not all ship acquisitions are planned in advance of labour availability. Rather, many are acquired ad-hoc as reflected in SC 12's comments about the acquisition of second-hand vessels.

But when you start acquiring ships – let's say we go and buy five ships, ten ships, then we face the problem because our fleet would be growing faster than ... we're training. Then you find that you go on the market, you cannot find crew. (SC 12)

Such rapid growth of the company fleet places stress on the company's labour pool and the labour market that they depend on. This also applies to the fleets of ship management companies - their acquisition of managed ships changes their fleet size and affects their crewing experience in a similar way. SC 13, an employee of a large ship management company, found that the growth in their managed fleet increased faster than their pool of seafarers: *'[In addition], because our number of ships increased, , that [had] a direct impact on [our pool] . . . [because] our ships increased but the pool [didn't] increase as fast as our number of ships increased'* (SC 13).

For small companies (that is, those with a small base fleet) an increase of two or three ships was more significant than for companies with a large base fleet of say, 100 ships or more. This is because their pool of seafarers, which includes their reserve ratio, would be smaller. Thus, any additional demand for seafarers will place considerable strain on the reserve pool. SC 04 (below) was from a company that owned a fleet of 16 ships at the time of the interview and the company frequently engaged in buying and selling ships. The participant recorded his company's experience of his crewing situation in the following manner:

If you have a[n] urgent need – for a small-time company, [a] company with say 10 or 15 ships, they're getting 3 or 5 more ships, under management or under ownership, let's say that our owner will decide to buy 5 more ships. For our company, it is almost [a] 50% increase of the fleet – so it is a very serious change for us. But [now] we have two bulkers which are new

in our fleet and we started recruitment of the whole team from ratings to officers ... we started looking for, not just one or two positions to replace, but we were looking for the whole bulk team. And it was a nightmare . . . (SC 04)

Besides the size of the company, what was important also was the rate of increase. SC 09 was from a company whose fleet grew from 19 to 49 in a span of two years. Due to favourable market conditions at the time, much of this expansion was the company's acquisitions of ships as well as the acquisition of companies, this also included the take-over of vessels. He recorded his company's experience in the following manner:

We suddenly expanded from a 19 ship outfit from 2004 and then in a span of two years we had something like 49 ships. So in 2004, we had a staff strength of about 2,500 and with all these acquisitions we ended up with a sea staff of close to 6,000. (SC 09)

Although SC 09's company took over ships with existing crew, they were also employing additional seafarers because they wanted to 'sift' through the staff to decide which ones they would keep.

It was a very challenging time when we took over ships and existing crew onboard. Firstly, you cannot stop the ship from running, so we had to employ additional people and even [take] people from our pool to put onboard ships to sail with the ship, in the hope that the new ships and crew [would] adapt to our company culture and systems. (SC 09)

The speed at which the shipping industry moves also characterises decisions about fleet changes. Here, it is reasonable to expect that companies would prefer to make decisions about the sale or acquisition of vessels without the obstacle of juggling a corresponding pool of seafarers. Thus, ship managers and owners often outsource the crewing functions of the business to free themselves from this obstacle. It releases them from having to guarantee work and wages to seafarers, especially if there is a contraction in their fleet. As SC 16-1 explained, the outsourcing of crew management transfers risk to the crewing agency.

. some of the companies for their own reasons, [have] their number of ships reduced and actually they don't require us to maintain so many crew for them, so we have some surplus it's up to us where we can supply. [There's one shipowner... [because] he [doesn't] want to maintain so many seafarers – because up and down it's very hard to see, [and] then this kind of risk is ... transferred to us. (SC 16-1)

8.4 The Ability to Attract and Retain

A company's ability to attract and retain seafarers has important implications for its experience of the 'shortage'. It has been seen that the companies which are perceived as being structured and well-organised have intrinsic values that are appreciated by both seafarers and competitor companies. These companies tend to be large and may be family-owned. They are also likely to have built their reputations up to a level that easily attracts potential seafarers.

. [Company W] as a whole has a good name in the market. So that is one thing I think which attracts seafarers to us, but besides that we are not one of the highest paying companies. so our wages is not something which attracts people to us. Most people come in through the name, most people we recruit as cadets – so they continue to stay with us or they bring in other people. (SC 13)

Although name and reputation attract seafarers, these do not necessarily help to determine the loyalty of seafarers to the company. One of the characteristics of reputable companies is that they try to instil a sense of belonging into their employees. This sense of belonging seems to be more effectively instilled in seafarers who join the company as cadets or junior officers. It could be the case that this is linked to the seafarer's ties with the company and influenced by the period of his/her training.

. when you train the people up, they have a sense of belonging because they feel for you, they like your style, they know the people (SC 12)

. if you start when they are young then if you treat them right they stay. If you don't treat them right, then after the bond period [has finish[ed] they disappear, they find something better. (SC 15)

SC 20 (below) described the effort that it took him to cultivate a sense of belonging in his seafarers. It takes time and effort to build a bond and understanding with seafarers. It would therefore be reasonable to expect such commitment only from companies which have a genuine and long-term interest in the business.

The sense of belonging is also . . [affected], which I am trying to cultivate here and continue to build it up. And it takes a lot of energy in terms of keeping that high rapport, communication with the individual – ... it takes a lot of energy. So you see, I take the trouble . . like now this guy, he's finished his. . .he's a captain, he's finished his time but I still invite him to

visit. And of course, we also allowed his family to fly down to have a holiday – you know. (SC 20)

However, not all companies can instil such a strong sense of belonging that can prevent all its seafarers from leaving for greener pastures. An examination of the data regarding retention issues suggests that besides a sense of belonging, remuneration and career progression are still important:

. the relationship you have with your officers – if they are comfortable working with you, they would not want to change to other companies. [But then] again the main reason for people leaving [for] other companies is [the] higher wages offered. (SC 13)

When you look [at] senior officers, you want to keep those senior officers, you can talk about nice to have issues and some benefits here and there, but you want to keep the officers, you pay them the salary and then they will stay with you. (SC 04)

. we have shown the path that says ‘Okay, you can progress up’ – [as] I did. I mean, I started as a junior officer and became chief officer, master and slowly I came [to]... the office and [became] crewing manager. I think this one, we have done for most of the nationalities – somebody is doing good, we keep that one. I think this is one of the ‘light[s]’ the seafarers can see in this company ‘I’ve got [a] future here’. (SC 21)

From the above, two issues of remuneration and career paths (also discussed in Chapter Six) are important to encourage the retention of the seafarers. Moreover, besides the importance of offering wages that match the market rate, the guarantee of a career path within the company helps the seafarer envisage a future in the company and thereby increases the retention rate. It was important for companies to be able to offer wages at the market rate in order to attract and retain the seafarers they needed. As discussed in Chapter Six, this meant having to review and increase wages. Thus, effectively constituted as poaching but interestingly the situation was also framed as a lack of loyalty on the part of the seafarer who would ‘jump to another company – because [he was offered] \$200 more’ or ‘\$500 more’ (SC 03). There was broad agreement that the rank of an officer and his/her history with the company were pertinent factors for staff loyalty. Moreover, those officers who received their cadetship training with a company seemed to exhibit a greater sense of loyalty. Compared to officers employed from the market, those who had been with the company since cadetship had a greater sense of belonging and tended to remain in the company.

. there are some seafarers that are loyal to a particular company even though they may not be the highest paid. We have a lot of seafarers that are loyal and we have lot of seafarers that have come through from being a cadet to a senior officer. But at the other end of the spectrum – there are seafarers that will jump around [from] contract to contract with different operators. (SC 01)

Another factor which arose regarding loyalty was whether a company directly employed its seafarers. SC 04, from a company which outsourced its crewing, commented on the differences in the relationship between the company and its junior and senior officers. In the comments below, he highlights why junior officers would have a greater affiliation to the crewing agency than to his company.

. . . as we do not employ people directly, this is why junior officers would have [a] very limited . . . bond with the company. They ... have [a] higher bond with the manning agency rather than with our company. Junior officers, [may] feel ‘I am the part of the five thousand people pool of the crewing agent’ because they have 300 ships under manning management and basically these are the people that I need when I go onboard the ship, these are the people who process my documents, these are the people that I can ask for [an] extension of [my] contract, and so forth. (SC 04)

He continued to explain that the greater degree of loyalty by senior officers in his company was due to their ‘*closer connection with the company*’ (SC 04). Because of the nature of their work, senior officers were involved in the management of the ship and therefore had to be familiar with the systems and procedures prescribed by the company. Most companies generally send their senior officers to the shore office for training and briefing sessions. Thus, senior officers would have more contact with the company and this helps to establish a bond between them and the company:

. . . it is easier to maintain stability with senior officers because of the natural maturity and the fact that obviously they will be much more connected and involved in the management of the ship – they will have [a] much closer bond with the company because .. the operational issues [require contact] with our company. Junior officers, they do not have really loyalty to a shipowner because they do not have much contact with the shipowner. (SC 04)

The type of training benefits that companies offer could also affect retention and loyalty; here, the training schemes of reputable companies can help to attract and retain potential seafarers:

. . . if you're a seafarer and you can go to work for a tanker operator maybe you're employed by [Company T] for example; you know that all your training and your upgrades and your validations [are] all going to be regularly updated and you're going to be up-trained and up-skilled by the company – and the company are paying that cost. . . . So if you ever want to then have a chance of real career progression and moving on, you want to go and work for [them] (MAO 03)

In the above case, company training schemes can also be perceived by seafarers as being equivalent to opportunities for promotion and career advancement. Hence, seafarers would be likely to stay or work in companies where such schemes are available.

Conclusion

This chapter reinforces the concept that the seafaring labour market is dynamic, complex, multi-layered and far removed from the original classic account which is only concerned with comparing demand for seafaring labour (the number of job positions) with its supply (the number of trained seafarers). A central finding of this chapter is that the availability of labour is not just about access to seafarers, but rather that the type and ownership of companies matter as well. It offers the perspective that ownership does matter because companies with different ownership patterns have varying employment and management styles. The chapter endeavoured to sketch a shared conception of what constitutes 'good' and 'bad' companies for both managers and seafarers. It painted a distinct dichotomy of hypothetically company types (although it is noted that the shipping companies are more complex than just existing in two distinct clusters).

'Good' companies have fewer problems attracting and retaining seafaring labour. Their positive reputation is important not only for seafarers who desire to work for them but also for other companies looking for seafarers to employ. Their positive standing is derived from their reputation of having a genuine and long-term interest in shipping business. Hence, they tend to develop and promote organisational cultures that are perceived as positive – this includes their policies on ship operations and maintenance as well as their relationships with their employees. As a result of this, they are inclined to have well-run ships, which are in a good condition and have favourable personal

relationships with their seafarers. This increases the probability that employees will remain loyal to them and boost their staff retention. As has already been seen, the retention of staff is important in managing labour resources, especially when senior seafaring officers need to possess certain amounts of experience as dictated by the experience matrix specified by oil majors or companies. Although it is not always the case, many 'good' companies may be large and/or family-owned. Because of this, they are more conscious of the need to train and maintain a pool of seafarers, with some doing so through their own training programmes and/or training facilities. Junior officers view these large companies as challenging and exciting to work for because of the range of vessels from which they can gain experience.

In comparison, 'bad' companies are often portrayed as 'asset holders'. These tend to be depicted as small companies³¹, owning one or two ships, which enter the business as an opportunity to take advantage of a favourable economic situation. Their objectives in the industry are short-term, possibly to catch the up-swing of an economic cycle to make a profit before exiting again. Therefore, it is not a priority for them to pay careful attention to the running of their vessels or to the building of relationship with their seafarers. These companies tend to have vessels which are older and owners who often do not have prior affiliations with the shipping industry. So vessel maintenance is unlikely to be a policy priority. .

It may be argued that 'good' companies provide jobs in the primary sector of the seafaring labour market. They also provide job security because of their long-term interest in the business. Their relative size indicates that they are a stable entity in the industry and some may be large enough to have their own training facilities. They are able to offer good wages, good employment conditions, promotions and career prospects. In contrast, jobs in the secondary market may be thought of as those from smaller shipping companies. These jobs are not as secure, have less attractive employment conditions and do not pay as well (although there are exceptions to this last characteristic where some participants have reported that smaller fly-by-night companies were willing to pay high wages to attract the necessary labour). The

³¹ It should be noted that companies involved in near-sea trades are usually smaller businesses running smaller ships. Since they tend to have a lower profit margin, this also means they are less able to offer attractive salaries to seafarers. Their size in no way indicates a negative image of the company.

provision of primary and secondary jobs is, of course, not strictly linked to company type. Dual labour market conditions can exist within the same company as the chapter will argue

CHAPTER NINE

Concluding Discussion: Revisiting the Seafarer 'Shortage' within the Global Labour Market

Introduction

The aim of this thesis was to examine the nature of the global seafaring labour market. In the process, the thesis sought to explore the structure and operations of the seafaring global labour market, assessing the extent to which the labour market may be differentiated. In particular, it has examined the extent to which the seafaring labour market is able to function as a smooth, undifferentiated space – either it can respond to the supposed 'shortage' with labour moving easily to where demand is within a single space or it shows limitations in its response with labour showing levels of restricted mobility implying a segmented space. Central to an understanding of the global seafaring labour market is an appreciation of the changes that have taken place over the past three decades - changes in the structure of the market brought about by a shift in labour coming from traditional maritime nations of the OECD to labour from developing and emerging nations. In the current global labour market (GLM), the supply of seafarers comes predominantly from developing and transition countries (Wu and Sampson, 2005). However, there have been some responses from the governments of advanced countries to revive the labour demand and supply by stemming the outward flow of tonnage as well as to encourage more training of national seafarers (Gekara, 2008; Zipplies, 2003; Grey, 2004). Hence, both global and local forces act in an opposing fashion to influence the labour market. The anticipated result of this is that the market will be pulled in various directions.

The objective of this chapter is to answer the research questions from the perspective of the findings on the industry's officer 'shortage', and to discuss their associated implications within the wider context of the labour market. The chapter will first start with a discussion (9.1) that locates the data in the context of an 'officer 'shortage'. The second section (9.2) will then discuss how the findings relate to labour market segmentation, while the third section (9.3) will consider the notion of the 'shortage' in

light of the labour market segmentation. Finally, the fourth section (9.4) will discuss the problems encountered when addressing the ‘shortage’ in the labour market. Sections 9.2, 9.3 and 9.4 address the research questions posed in Chapter Three, as follows:

- (i) How (if at all) is the labour market for seafaring officers segmented?
- (ii) How does the demand and supply of seafaring labour reflect segments in the labour market?
- (iii) What are the perceived limitations that prevent the harmonising of demand and supply of seafaring labour in the global market?

9.1 The ‘Shortage’ Thesis

Since 1990, the BIMCO/ISF Manpower Reports have continuously suggested a ‘shortage’ of seafaring officers. Despite the fluctuation in the estimated and predicted figures of the ‘shortage’ from one report to another, the reports seem to suggest a ubiquitous experience of a quantitative ‘shortage’ in the industry. However, the data in Chapter Five on the Preliminary Analysis of the industry literature revealed contradictory opinions about the existence and the severity of the officer ‘shortage’. This was explained in terms of two major factors – the cyclical nature of the industry and the varying methods by which the labour ‘shortage’ is estimated. The data in chapter five also showed that the expansion of the world fleet featured significantly in media reports about the ‘shortage’. They further indicated the concern in the industry about where and how it was going to recruit the labour to operate the additional ships on order. There was a glut of ship orders between 2004 and 2008 when the shipping industry experienced a particularly extended period of ‘good’ years in the shipping cycle. This was a time when charter and freight rates were at a prolonged high and the extensive profits that business was earning encouraged many to expand their fleets.

Chapter Six, which presented data on the various depictions of the ‘shortage’ from the interview data, also described the ambiguous perceptions of the ‘shortage’ among industry participants. These participants’ opinions appeared to contradict each other, with some saying that their companies did not have a ‘shortage’ of seafarers while others reported experiencing limitations in their labour supply. The issue of the

‘shortage’ focused on the ability of employers to find crew to staff their ships. Here, although participants acknowledged there was a ‘tightness’ in the labour market, they were unable to identify the exact nature of the labour ‘shortage’, since they were still able to crew their ships.

Both the data from the industry media (Chapter Five) and from interview participants (Chapter Six) showed that there were differences in the way the industry practitioners forecast the labour situation in light of the economic downturn in late 2008. While some envisaged that the labour situation would worsen, others were convinced that the recession would provide a reprieve. Still others believed that the labour situation might improve over time. Their predictions were based on their assessments of the number of ships that would continue to be built, the number of new-ship orders they expected to be cancelled, and the number of officers that would continue to be trained (especially when training budgets were expected to be cut due to the recession).

Despite the discrepancies in the opinions concerning the existence and severity of the labour ‘shortage’, the data reflected a persistent opinion in the industry that there were many companies which were experiencing a labour shortfall. In order to disambiguate the conflicting opinions, we have to recognise that the industry typically expresses the labour ‘shortage’ based on the assumption of a single undifferentiated labour market where seafarers are easily matched to available positions. And this is a problem since it is clear from the data that the labour market does not work this way. In addition, the creative ways in which companies have managed to circumvent the problem – attested by the ships that continue to sail without major reports of disruption – have helped to mask the severity of the labour problem. If we could theoretically remove this masking to amplify the severity of the ‘shortage’, perhaps we would be able to see market segmentation via the types of ships being laid up and the crew typically used to crew them. Hence, labour ‘shortages’ can be used to delineate market segments.

9.2 The Global Seafaring Labour Market and its Segmentations

As discussed in Chapter Two (2.3), the flagging out phenomenon set in motion a set of events that resulted in the emergence of a global labour market. This single global labour market is characterised by global integration and brought about through the

lower costs of transportation and communication, changes in the international division of labour, the increasing mobility of capital, the spread of technological developments and the global mobility of labour (Rüdiger, 2008; Freeman, 2008; World Development Report, 1995). One assumption of the BIMCO/ISF Survey is that a unified global seafaring market exists. This market is characterised by the free dissemination of information and the movement of labour (Leggate and McConville, 2002); it also indicates that all labour can have the same access to employment opportunities without any barriers to mobility. The ILO (2001) characterises such a global labour market as one that has no nationality restrictions and where recruitment is well-organised with a broad network of global linkages: ‘The inclusive nature of the market and the existence of an efficient globally integrated supply chain, make it in principle a relatively straightforward matter for buyers of labour to arrange and rearrange crew composition at will’ (ILO, 2001).

However unequal developments of economic globalisation result in a disproportionate demand for labour and its unstable supply (Felstead and Jewson, 1999). Rüdiger (2008) argues that it would be difficult for labour markets to be truly global if the conditions of unequal trade growth, capital flows and migrant flows existed. Such conditions hinder workers from competing for jobs directly and therefore prevent the labour market from being truly global. Since trade growth is not equal across economies nor is the flow of investments and individuals equally unrestricted across states, it follows that labour markets cannot be truly global in the definitive sense of an inclusive and unrestricted space. Hence, the alternate view that the GLM is made up of a diversity of markets overlapping and interlinking with each other, creating a complexity of boundaries that prevent the free movement of labour within the industry (Leggate and McConville, 2002).

9.2.1 Segmentation by Sector

Beside the two basic vocational groups of deck and engineer officers, seafarers in the various sectors of the industry may be considered as having sub-sets of seafaring skills; even within each of the deck and engineer specialisations, seafarers may be considered to have sub-specialisations, these depending on the vessels they have worked on, such as dry bulk, car carriers, tankers, gas carriers, general cargo and containers.

When participants described the crewing difficulties that they had faced, three sectors figured prominently in the data in Chapter Seven. Here the variegated nature of the seafarer ‘shortage’ was discussed and the tanker, the bulk and the off-shore sectors were considered in particular. What was significant was the discrepancy in the labour situation between the tanker and off-shore sectors on the one hand and the bulk sectors on the other.

According to the participants, their experience of the labour ‘shortage’ in the bulk sector was comparatively more subdued. While this more moderate experience of the ‘shortage’ may be easily attributed to the non-requirement of specialised certification within the sector, it is prudent to look beyond this to the prevailing/greater economic scenario influencing the shipping industry. Here, sector differences between the bulk sector and the energy sectors (off-shore, chemical and gas) are accounted for in the responses of over 70% of the respondents, who reported a situation of seafarer ‘shortage’ in the energy sectors alongside reports of seafarer unemployment in the bulk. At the time of the fieldwork (circa 2009), the bulk and container sectors were reporting losses and therefore demand for bulk transportation would have translated into a lower demand for labour. While other sectors were experiencing limitations in labour, there were reports of retrenched and unemployed senior officers in the container and bulk trade. Thus, it is possible to have both reports of seafarer ‘shortages’ as well as seafarer unemployment – the implication being that while some sectors may face a lack of officers, others will have ‘surplus’ officers who are not gainfully employed.

Overwhelmingly, the data revealed that participants more consistently reported labour shortfalls for their tanker and off-shore fleets. In addition, there are further subdivisions of fleets within the tanker sector – gas, chemical and oil tankers have particular certificated specialisations and each have a differentiated experience of the labour shortfall. Participants reported a more acute experience of the ‘shortage’ in the chemical and gas sub-sectors. The off-shore sector was even more complex in terms of the variety of vessels operating within it. However, unlike the tanker sector, there has as yet not been any legislated requirement for specialised certification at the international level. The crewing experience of companies in the off-shore sector and the tanker sub-sectors (that is, the chemical and gas trades) may also be understood from the perspective their fleet size relative to the total global fleet. The off-shore

sector and the chemical and gas sub-sectors comprise only a small proportion of the commercial fleet. The specialised pool of labour for these sectors would already be very small and any increase in demand would feel like a considerable strain on the existing pool. Here, employers' attempts to increase the labour supply by prolonging contracts and shortening leave periods would be more greatly felt among a smaller pool of specialised labour.

Here, labour market segmentation should be acknowledged as arising out of industry regulations and from employer requirements. Seafarers are segmented by the training and certification they possess. Depending on the certification they hold, seafaring officers may be considered part of the navigation or the engineering labour market. Their certificates also qualify them to sail in certain ranks. Some of these certificates also segment officers according to the specialist vessels they are authorised to sail on. Additionally, the relevant working experience is important as employers often only consider seafarers for employment in the senior ranks when they have had previous experience onboard the particular type of vessel they will sail on in the future. In terms of experience, the matrix requirements of Oil Majors further segment the officer market into those officers with experience in the trade and those with experience with the company.

Seafaring labour segmentation can be deduced via the perception of occupational mobility. As discussed in 6.3.1, the switch from one specialisation to another (or from one sector to another) requires that seafarers should overcome certain certification and experiential obstacles. Firstly, and depending on the sector, formal qualifications may have to be attained. Secondly, relevant experience is an important factor, especially in the senior ranks. Hence, switching to a new sector could mean sailing at a lower rank during an interim familiarisation period. These obstacles (social and legal) slow the smooth flow of seafarers from one specialty to another.

From the foregoing, three attributes of the seafaring officer labour market may be deduced:

- i) It consists of discrete sectors which are formed from the various broad categories of vessels, such as those that carry wet, dry and bulk cargos, this giving rise to the need for different specialisations of seafaring labour.
- ii) Sectors may have differentiated entry requirements and wages.
- iii) There are limitations in the mobility of labour across the sectors.

9.2.2 Geopolitical Segmentation

As in sector discrepancies, shortages and surpluses can also be found in different geographically segments. According to one participant (SC16-1), while most national fleets were suffering a 'shortage' of seafarers in the late 1990s, China was experiencing a surplus. This was explained as the decline in demand for maritime transportation resulting from a slump in the shipping market. State-owned companies therefore had a surplus of permanent labour which they were obliged to keep on their payroll. Hence, they embarked on a new business venture in crewing in order to cut losses by re-deploying their excess labour. Curiously, the UK was also reported as experiencing surplus labour in the mid-2000s (MAO 06). This was not a matter of a slump in business but a decline in demand for local seafarers because they were perceived to be too expensive.

Fevre (1992) argued that the abstract operation of labour markets requires some structure of place and time. Such markets need to possess the quality of time or reference within a time frame so that workers can seek out employers, and vice-versa. They also need to be thought of in terms of occupying a specific type of space in order to visualise it as a place where the service of labour is bought and sold. Of particular relevance here is the structure of place: the space that seafaring labour markets occupy may be thought of as physical³², such as the famous Rizal Park in the Philippines where companies (shipowners, managers and crewing agents) go to advertise their vacancies and where seafarers go in search of vacancies which match their skills and wage expectations. At local level, it is plausible to speak about labour markets as locations

³² It is noted here that the physicality of the space of the market may be shown to change towards a more virtual space. Here, we may envisage an alternative space, such as a database of employees within shipping companies and/or management companies and within their network of crewing agents worldwide. Additionally, this space may be located in advertisements of vacancies in various newspapers and industry magazines, or even on the web.

where workers learn about job openings and employers attract labour. However, on a global level, it becomes more problematic to contextualise this physicality of the labour market. It would be difficult to imagine a similar labour market on a global scale where representatives from the worldwide community of maritime companies could physically go to set up shop in order to hire seafarers of various certifications, specialisations, ranks and nationalities. The melange of seafarers (with their varying skills, certification and experience) together with an equally sizeable assortment of competing employers (from a diversity of maritime companies) would have the potential to create a chaotic situation. This makes the idea of the seafaring labour market as an exclusive physical location problematic and has consequential implications for locating seafarers.

Fevre (1992) also demonstrated how labour markets have territories that vary according to occupations – and some occupations can be defined more globally than others. He gives the example of entrepreneurs who may be thought of as being employed globally in comparison to factory workers. The seafaring occupation perhaps is a case in point where workers may consider their labour market to be global rather than limited by a city, region, or country. There is the global market that resulted from the consequences of the flagging out phenomenon which began in the 1970s. The process of the re-flagging of national vessels facilitated the substitution of national seafarers from traditional maritime nations with cheaper sources of labour from developing nations. This shifting of the seafaring labour supply from developed to developing nations therefore created a global labour market. In this sense, and together with the wider understanding of the globalization process of space and time compression brought about by communication technologies and air travel, the labour market for seafarers might be deemed as ‘global’.

If markets possess the attributes of space, it follows that the operation of labour markets requires boundaries. Against the broad backdrop of the global picture, the seafaring labour market has not completely eliminated national boundaries. One response of companies to restrictions on labour imposed by flags in traditional maritime nations³³ was the creation of a tiered labour market. National laws in terms of flag state

³³ It is noted that barriers in national laws concerning labour restrictions have all but disappeared in all registers (with a few notable exceptions like China and India). These are also absent in second registers.

regulations limit opportunities for foreign seafarers, so resulting in a disparity of employment opportunities. The variety of limits that may be applied by flag states on their national fleets include the restrictions on the employment of nationals only, restrictions on the authorised employment of non-nationals, restrictions on the employment of nationals only for officer positions and restrictions on the employment of nationals only for senior officer positions. It is for this reason that Leggate and McConville (2002) pointed out that dual labour market conditions exist in many countries where the market is segmented in terms of employment conditions. Some countries allow for separate conditions in the employment of national and non-national seafarers where conditions usually favour nationals. Additional to these dual market conditions, there may also be a tiering of the seafaring labour market. In companies that depend partially on a quasi-internal labour market³⁴, a primary labour pool of seafarers is maintained to fill the positions of part of the crew (these usually being the senior officers). Donn (2002) and Tsamourgelis, (2009) have shown this internal pool to be composed of national seafarers from OECD countries who generally enjoy better wages and permanent employment contracts. Unlike the classical definition of internal labour markets, seafarers from internal pools of labour are not insulated from external competition as companies often supplement their labour requirements with seafarers from the open market. This supplementary pool of seafarers is usually recruited for junior officer positions and consists of seafarers from the new labour supplying countries who are paid on a lower wage scale and who are subject to temporary employment relations.

The data from the industry media in Chapter Five revealed how many major ship-owning countries were experiencing a local 'shortage' of their own national seafarers. As a result, many of these countries had to change their strict crewing policies to allow their nationally flagged vessels to employ foreign seafarers. Both media and interview data found exceptions which contradicted the findings of Donn (2002) and

³⁴ The quasi-internal labour market referred to here is the seemingly exclusive pool of core labour that participants declare their companies tap into. Unlike the traditional understanding of internal labour markets (Doeringer and Piore, 1971; Althausen, 1989), the pricing of labour is not determined solely by the firm, entry and exit into the organisation is not limited, job positions are not mainly filled from within and workers are not protected from competition with external labour. In addition, these labour pools concern shared labour; they are managed by crewing agencies or ship management companies which allocate particular labour for the principal use of specific ship owners but this may be reallocated for the use of other owners, temporarily or otherwise.

Tsamourgelis (2009), where labour conditions did not favour national seafarers. The data in Chapter Five found a kind of dual labour market in India that did not favour particular national seafarers: Indian seafarers working onboard nationally-flagged vessels and those working onboard foreign-flagged ships did not enjoy the same employment conditions. Contrary to what was expected, those working onboard foreign-flagged ships enjoyed better wages and tax-free income. This resulted in a 'shortage' of national seafarers wishing to work onboard their own nationally-flagged vessels. This is contradictory because the India is a major seafarer supplying nation. A similar situation to the Indian one was found in China, which was described by SC16-1 in Chapter Seven as being a locally segmented labour market. As with their Indian counterparts, Chinese seafarers have a monetary incentive to work for foreign-flagged vessels since those onboard foreign flagged ships earn a higher rate of pay than those on nationally flagged ships. In addition to wages, Chinese seafaring labour was also found to be differentiated by quality. Seafarers working onboard foreign flagged ships were described as the 'cream of our China seafarers', with a major differentiator factor being their relative linguistic proficiency in English over their counterparts (SC16-1).

Nationality was also relevant for many other aspects of crewing. Some nationalities have a weaker position in the labour market – they are known to be less able to resist deployment on older and/or less well-maintained ships. As such, companies often crew older ships (which may not necessarily be sub-standard) with Myanmar nationals. Some respondents have indicated that they have preferences for particular nationalities known for their sense of loyalty. Other respondents have prioritised seafarers' linguistic abilities, especially those with fluency in English, this being the designated international *lingua franca* onboard ships. This is especially important as most ships are staffed by multi-national crews. Linguistic proficiency was one reason that many respondents cited for the preference of Filipinos over Chinese seafarers.

In terms of the amount of labour supplied, not all nationalities provide a similar share of labour to the market. Among four elements of the labour supply suggested by Hammermesh and Rees (1988) – the decision to enter the labour market, the amount of time seafarers were willing to work, the amount of effort exerted and the level of skill – the second and fourth elements were the most pertinent to the data on the nationality. [The level of skill (the fourth element) will be discussed in the following sub-section on

‘quality’.] With regard the amount of time willing to work (the second element), not all seafarer nationalities supply an equal amount of seafaring labour in the market. Participants have reported differences in the length of contracts that various seafarer nationalities are willing to work. Indian officers were reported to generally enjoy shorter contract periods and were more concerned about being relieved from the ship on time in order to enjoy their leave period. Myanmar officers, on the other hand, preferred to work longer contracts and did not mind being asked to extend their contractual period; the Filipinos and Chinese can be placed between these two nationalities.

In terms of geopolitical segmentation, market duality can be also discerned from the data via the experiences of the participants in terms of the trading routes of the vessels. From the perspective of profit-driven maritime employers, while the quality of crew remains important, their over-arching priority tends to be consistent with their preferences keep costs down. Thus, the preference to crew vessels with seafarers from countries from the trade routes along which their vessels normally ply. This also helps to keep their costs for sending their seafarers to and from the vessels low. Familiarity with the waters and the culture in the region was also an important factor. Seafarers in the commercial fleet may be seen as either those who are serving on deep-sea or ocean-going vessels (also referred to as ‘foreign-going’), or those serving on near-sea or coastal-trading vessels. The majority of vessels in the merchant fleet are considered to be ‘ocean-going’ or ‘deep-sea’, trading internationally across continents. This therefore entails the maritime transport of goods and passengers on vessels sailing across oceans. Coastal-trade, sometimes called short-sea shipping, occurs either locally within a country or within a region. The trading routes include the movement of cargo and passengers by sea or inland waters but without crossing an ocean. Vessels used for short sea trade are generally smaller since they are designed for the purpose of either travelling on inland waterways or along coastal waters. Companies which operated their tankers in the near-sea trade found it more difficult to attract potential seafarers than those that operated in the deep-sea trade. This was the result of a combination of related factors, where near-sea trade operators tended to run smaller vessels that commanded lower freight rates and were less profitable. They, therefore, offered lower salaries than their counterparts running deep-sea trade vessels. Hence, a dual labour

market for seafarers may be discriminated – a better paid deep sea crew, which is relatively better qualified and a lower waged coastal crew with relatively lower skills. It is noted that this conclusion is pertinent only to the data from this study which are mainly from companies which operate their fleets from the far-east, which would have coastal operations in the area. It is acknowledged that this duality may not be applicable to companies operating from another part of the world.

9.2.3 Segmentation by Perceived Quality

From the segmentation along geopolitical lines, a further segmentation of perceived labour quality may be distinguished. This perception of labour quality is also intricately linked with the perceived quality of companies, as this section will show.

Donn (2002) showed that there were two tiers of the world's seafaring labour market, which were roughly bifurcated along the boundaries of the flag of the vessel and shipping sectors. He described an 'upper tier' fleet (mostly vessels nationally flagged in traditional maritime states), this apparently being run by a set of reputable operators or owners who provide their seafarers with a high onboard standard of living and employment conditions. However, he acknowledged that some of these reputable operators may also have registered their vessels with open registers³⁵, although they still provided their seafarers with a 'western' standard of living - albeit usually with salaries below those onboard the 'western' fleets. He proposed a 'lower tier' fleet whose vessels are registered in 'less developed countries' (many of these likely to be with open registers). He did not specify the main shipping sector for the upper tier but identified the lower tier as being mainly composed of fleets from the bulk trade and providing tramp³⁶ services. Donn (2002) considered the lower tier operators to be those running sub-standard vessels and employing poorly paid crews, these often being exploited and frequently devoid of union representation. This two-tier employment situation described by Donn (2002) infers a segmented demand for labour. Here, the operators of upper tier and lower tier fleets appeared to demand seafarers of 'differing

³⁵ As discussed in Chapter Two (2.3.1), open registers may be associated with the negative characteristics of the ITF's Flags of Convenience campaign, particular pertinent to sub-standard shipping and conditions of employment.

³⁶ Ships that provide tramp services do not have a fixed schedule or an predetermined itinerary of ports-of-call that those in the 'liner trade' operate by.

quality' while at the same time providing very different conditions of employment. Although it appears from his description that the employment conditions of seafarers are dichotomous, Donn (2002) acknowledged that the two tiers were not distinct categories. However, he was quite successful in describing a somewhat dichotomous employment scenario, this existing in a continuum rather than in distinct clusters.

Similarly, McDowell Batnitzky, and Dyer (2008) also posited a tiered situation for the provision of labour by employment agencies at the top and bottom-end of the labour market. However, here there is a different corresponding space for agencies which supply top and bottom-end labour. While it is usual for top-end agencies to source labour on a global scale and for bottom-end agencies to concentrate on local urban labour markets, McDowell et al. (2008) have suggested that bottom-end agencies increasingly recruit their precarious³⁷ labour on a global scale.

The findings in Chapter Eight confirmed both the existence of tiered employment conditions as well as the type of employer companies which provide these jobs. Here, the participants differentiated between 'good' and 'bad' companies. The reason for discussing employers is that the tiered employers require and produce a tiered quality of employees. In other words, tiered employers segment the seafaring labour market by quality. The data suggests that such correlations may be seen in the way 'good' companies seem to transfer their good name to their employees; these 'good' owners have a genuine and long-term interest in the business and are identified as traditional owners, family-owned businesses and large businesses.

[Company I] is a real owner – it's a family-owned business. [Company D] is also a very big. [It has] about 200 ships of [its] own. So [it's] very committed towards quality –[and has its] own training institute. (. . .) We had a couple of Vietnamese owners but they were all private types of guys who [didn't] have any knowledge of shipping but they have today gone belly up. [Among] the rest of the owners . . .is [Company F]. We also handle three of their ships – they are also owners. [It has] 12 ships of [its] own. So [this concerns] their own farmers, their own ships, their own grain – so they are worried about the quality of crew and how to develop and maintain their crew. Therefore most of the owners we have are these type[s] of owners. We are not looking at any vessels from banks or financial institutions. (SC 03)

³⁷ Labour that is employed under conditions of uncertainty of employment, poor wage levels, and poor protection of labour. These would include part-time, fixed-term, and temporary work.

Many of the larger, well-established companies have organisational cultures that have enhanced their reputations with potential employees. These companies are renowned and valued for their good staff management and onboard safety practices, good working conditions, generosity in the supply of onboard resources and principled human resource practices. They are not only able to easily attract potential seafarers but their good names are also coveted by seafarers. As indicated in Chapter Eight, these reputable companies are known also for their concern and engagement in seafarer training programmes. Perhaps it is this that creates a positive ‘rub-off effect’ on the seafarers who work for them. The seafarer’s service with ‘reputable companies’ would therefore have a positive bearing on the perception of his/her quality. Here, the seafarer is presumed to possess the positive attributes of his former employing company. Hence, seafarers often aim to complete at least one contract with such companies so that their names can be reflected in their seafarer discharge books. This record provides them with an added advantage when seeking future employment.

Conversely, there are those companies which have a poor reputation in terms of their personnel management, onboard conditions and safety practices, etc. A commonly recounted scenario by participants was the existence of certain ‘fly-by-night operators’. These were indicated as companies which have been set up by banks and financial institutions, or by those with no background knowledge in shipping but who wanted to earn a quick profit.

I mean, they have no commitment – they’re only looking at ‘what is the bottom line? I buy the ship for 35 million, I make so many million a year up to 5 years, I sell this ship, I make a big buck. Okay, let’s buy it.’ Get somebody to manage the thing – so they’re not bothered. They will look at some of the management companies ‘okay, give it to him, let him run the [ship] and we count the money’. That’s what I was talking about – where the commitment from the top is not there. (SC 03)

These companies supposedly and typically buy very old vessels with the intention of operating them as profitably as possible over a few voyages (to take advantage of inflated freight rates) before re-selling them to another owner or as scrap. Maintenance of these vessels and conditions onboard are naturally the least of their priorities. As much as anecdotes of such opportunistic entrepreneurship abound in the data, it has been observed that these narratives are prone to vagueness and ambiguity. Practitioners

have frequently spoken about how such questionable operators are widely known. However, despite common agreement within the industry concerning the existence of a supposed group of offenders, such discussions frequently lack names and explicit details, and the people discussing them are either unable or reluctant to provide such information. Perhaps this is also because these operators are seen as only being in the industry for a brief time: *'We have competition of the "fly by night" people . . . operators who offer [an] [obscene] amount of money to them. But like I said, they don't last that long.'* (SC 02). These companies have gained a poor reputation for their employment conditions of seafarers who in turn have equally poor reputations (that is, employees who have been found wanting in competence and dismissed by former companies). In a tight labour market, these seafarers have been able to find work again with relative ease. Since no respectable company would re-employ them, they often end up being employed by companies of questionable repute.

While the above discussion shows that the perception of quality in seafarers is linked to the reputation of the company, there are also other factors that are important in the measurement of quality in the seafarer. It may be established from the data that seafarer quality is often centred along the lines of competence and their scope of experience, both of which are often assessed approximately according to the years of sea-service and/or their time in a particular rank. There appears to be a range of proficiencies (from very competent to not very competent) these being significant to employers but impossible to measure empirically. Employers often have a range of attributes they look for in a seafarer which comes under the banner of 'quality'. Primarily, they are looking for the requisite technical qualifications and years of experience in their potential employees, but they also look for certain personal traits. A distinction should be made here between technical competencies and other softer personal traits that employers desire. As a regulated occupation, seafarers' STCW qualifications certify with more or less accuracy that a seafarer has obtained the minimum level of competence. However, the STCW certification does not indicate the level of competence at which the seafarer is operating and does not measure the 'soft traits' that employers are interested in.

This distinction may be akin to what Brown and Hesketh (2004) postulated concerning employers' social constructs in terms of the employability of individuals, perceiving

these as ‘hard’ and ‘soft currencies’. Hard currencies are the formal qualifications the individual possesses while soft currencies are the personal and aesthetic skills of the candidates. At a basic level, these currencies resemble the ‘threshold’ and ‘differentiator’ competencies identified in Chapter Six. However, unlike the clear distinction between hard and soft currencies identified by Brown and Hesketh (2004), the characteristics of threshold and differentiator competencies are malleable. Some companies may have a ‘raised’ threshold, which means that the differentiator competencies for others would become their threshold competencies. This mobile boundary between threshold and differentiator competencies may be illustrated graphically as follows:

Figure 14 Illustration of the ‘Moveable Boundary’ between Threshold and Differentiator Competencies

<p>THRESHOLD COMPETENCIES (Basic technical skills, Legal certificate requirements)</p>	<p>DIFFERENTIATOR COMPETENCIES (Experience, Personal Traits)</p>	
<p>LOWER THRESHOLD (Basic technical skills, Legal certificate requirements)</p>	<p>UPPER THRESHOLD (Experience, Personal Traits)</p>	<p>DIFFERENTIATORS (Experience, Personal Traits)</p>

The application of seafarer quality with regard to the crewing of vessels may be implemented in various ways. One of these uses the computation of risks to decide on the nationality of the seafarers to be employed. When companies regard their risk factor as high, they tend to crew their vessels with particular seafarer nationalities. These they perceive as seafarers who are of higher quality and who they can entrust to take charge of their more sophisticated vessels which carry higher value cargo and command higher freight rates.

9.2.4 The Interaction between Segments

From the discussions above, it is apparent that segments in the labour market are often divided within the segments or across them. For instance, as in the case of a ‘shortage’

of tanker officers, this may be divided into shortfall for senior versus junior officers or categorised into shortfall for officers across vessel types. Thus, the segments in the labour market may be envisaged as occurring either vertically or horizontally: they are not distinct but are interlinked and overlap with one another.

The classification of geopolitical and quality segments in the labour market may be identified as emerging simultaneously with the use of contract employment. The use of non-standard employment has been displacing the practice of permanent employment of seafarers. Although now becoming ubiquitous, this was typically used for the hiring of non-national seafarers, while permanent employment contracts were typically used for national seafarers, thus producing a dual tier system of employment relations.

While the outsourcing of the labour supply created geographical segmentation, it also produced labour quality issues. Bloor and Sampson (2009) have pointed out how the outsourcing of the seafaring labour supply to developing countries created significant difficulties for training standards and its global regulation. This was partially caused, by the limited ability of the labour supplying country to enforce training standards and was complicated by the corrupt practices of kick-backs to training institutions, poor examination practices, certificate ‘milling’ and forgeries. To address the problem of standardisation of training especially among seafarer from the Asia-Pacific, the STCW78 was put in place and revised in 1995 to ensure a standardised quality of global officers. While such regulations have produced improvements in the global quality of seafarers over the years, the quality gap, as Bloor and Sampson (2009) have suggested, has not been eradicated. This is not, however, to suggest that ‘western’ seafarers are synonymous with high quality seafarers, while ‘eastern’ seafarers are of low quality. However, it is reasonable to argue that seafarers from traditional maritime countries are more likely to be of high quality than those from the new labour supply countries.

9.3 Labour Market Segmentation illuminated from the Perspective of the ‘Shortage’

The BIMCO and Drewry Reports indicate a labour ‘shortage’ which constitutes a gap between the general supply and demand of seafarers. For convenience, this condition

will be called a 'basic labour shortage'. In the light of the discussion in the last section, it is clear that neither the supply nor the demand for labour is undifferentiated but rather segmented. Consequently, the 'basic labour shortage' serves to mask the complexity of the market. To create an adequate understanding of the market, it is necessary to propose two other types of 'shortage' conditions.

The first proposed condition is one of the structural 'shortage' that exists in the global market for seafarers; this involves a scarcity of skills. It has been determined that officers are specialised in the type of vessel they serve on, and may not be immediately able to switch to a different class of ship. This brings about a mismatch between qualified seafarers in the labour market and the available positions onboard. Theoretically even if the number of vacancies onboard is equal to the number of seafarers looking for onboard positions, these may be difficult to fill because the available seafarers lack the necessary certification or experience for the respective vessel types. This mismatch of skills and vacancies arises because of discrepancies in labour demand due to the changing demand for shipping transportation. Because labour mobility cannot keep up with changing demand, it is difficult to match demand with available seafarers. This means that even where there are adequate numbers of certified seafarers, vacancies are difficult to fill because the industry is subdivided into different sectors between which seafarers are not instantly mobile.

As an illustration of structural 'shortage', in 2009, the bulk and container sectors were reporting losses following the economic recession of 2008. A participant from one company reported that his shipping company was retrenching their senior officers from its container vessel fleet. At the same time, another participant whose company was in the tanker trade commented that his company not only felt the overall effects of the 'shortage' acutely but was also experiencing a 'shortage' in the senior ranks. This scenario may have implications for the mobility of senior seafaring officers across sectors. Here, the unemployed senior officers retrenched from the container vessels did not appear to become readily absorbed by the tanker sector.

The second proposed condition is one of quality 'shortage'. It supposes that among potential seafarers employers look for a range of skills, a level of competence, experience and personal aptitude beyond the legal certification or required norm. If

employers stipulated a requirement to employ seafarers at a level well beyond the required legal minimum, they would be perceived as being categorised in the high-end of the labour market. Conversely, it may be argued that at the low-end of the labour market, employers have requirements that are well below the legal or accepted level of skills, competence, experience and personal aptitude. As regards seafarer supply, when there is ample supply in the labour market, employers expect a large number of potential candidates to possess the relevant qualifications and a range of positive attributes. In this scenario, employers have more than enough candidates to choose from and they can select those with qualities over and above the compulsory technical qualifications. However, as the labour market tightens, employers are compelled to choose from candidates with fewer positive traits. A natural recourse to mitigate this quality labour 'shortage' would be for employers to lower their expectations of the level of quality they are looking for in their potential candidates. At a global level of the labour market, this quality gap was created with a shift in seafarer demand for seafarers from developing and emerging countries. Hence, the discrepancies in quality created as a result of these shifts in the supply of labour to countries ill-equipped to produce good quality seafarers evoked a sense of urgency within the maritime industry for better trained seafarers. As a result, this sense of urgency contributes to the experience of the quality 'shortage'. This quality 'shortage' was especially felt when the proportion of seafarer supply from developing and emerging countries increased, while simultaneously contracting in the tradition maritime countries.

The proposed conditions of 'structural shortage' and the 'quality shortage' of seafarers are not distinct and independent, but are interrelated. Both these conditions are about the mismatch of the supply of labour to its demand and together these conditions highlight the extent of market segmentation. The structural 'shortage' is a situation where there may be sufficient trained seafarers but, under the prevailing conditions, many may not be able or willing to switch to a sector with a higher demand. This occurs when the structure of labour demand changes in the market and entails a mismatch of seafarer skills to vacancies. The quality 'shortage' is one where there may be sufficient trained seafarers, and they are willing and able to switch to the sectors with higher demand. Notwithstanding this, they may lack some attributes that employers consider vital, which brings about a mismatch of seafarer skills and

employer expectations. In this quality ‘shortage’ condition, it can be assumed that the demand for seafarers may be categorised according to employers’ requirements for their training, certification, experience and personal qualities.

9.4 Obstacles to Eradicating the ‘Shortage’

The basic premise of the manpower reports of BIMCO and Drewry is a quantitative ‘shortage’. If this were so, then according to the classical economic theory, the problem could quite easily be addressed by varying the wage levels. However, this does not account for why since 1990, the ‘shortage’ of seafaring officers has been recurrent. The responses of the interview participants reflected their experiences of both structural and quality ‘shortages’. Here, they responded with a number of strategies to mitigate their experiences of the labour ‘shortage’. For convenience, these groups can be grouped under ‘wage’ and ‘non-wage’ strategies and will be discussed separately below.

9.4.1 Wage Strategies

In a situation of structural ‘shortage’ (where a sufficient number of trained seafarers is assumed) it is possible that wages and employment conditions are not sufficiently attractive to appeal to seafarers and to make them switch sectors, nor do they entice the return of those who have left the sector. The classical model³⁸ of the labour market (Deaton, 1981) assumes that wages are flexible and that unemployment is voluntary. If the wage rises are not sufficiently attractive, workers can choose to withhold their services for employment. If, coupled with this, the employment terms are unattractive, seafarers and potential seafarers will not put themselves into the labour market. The lack of people choosing a sea career as well as the dearth of seafarers wishing to stay long-term in a sea career will be experienced by employers as a shortage.

Additionally, two conditions were likely to have been occurring simultaneously. Firstly, wages were rising in some or all sectors because of the officer ‘shortage’. Secondly, there are discrepancies in wage levels among the sectors since it has been

³⁸ It should be noted that this overview of the classical labour market may be simplistic as the more pertinent neo-classical theory acknowledges the possibility of wage differentials and attempts to explain this using theories about human capital and productivity. This paves the way toward segmented market theory which argues that institutional forces determine wages and job opportunity. Thus, it suggests the existence of a heterogeneous workforce divided into different and non-competitive segments.

determined that some sectors pay higher salaries than others. So wage levels have not increased evenly across sectors or even across groups of seafarers. It is also clear that when seafarers switch sectors, this entails additional training, costs and inconvenience (both to the seafarer and to the employer) and adjustment (that is, a willingness on the part of the seafarer to readjust to a new type of vessel and working procedures). Hence, the level of wages and employment conditions should be sufficient to compensate seafarers for the stress and inconvenience of switching sectors.

From the above, it may reasonably be inferred that some companies were not able (or willing) to adequately raise their wages and employment conditions to attract seafarers to their sectors. In this way, they were incapable of effectively mitigating their experience of the labour 'shortage'. Against this background, it is possible to make sense of the following comment: *'So long as you're willing to pay, you'll get your officers – there's no shortage in that sense' (SC 07)*

Not only is attracting potential seafarers important to companies, but retaining them is also equally important to maintain the company labour pool. In the current context of the shipping industry, and where contract employment is prevalent, retention takes on a modified meaning. Since seafarers are considered to be the employees of the company only during the contract period, the company does not have a permanent pool of employees to 'retain'. Instead, when industry participants referred to 'retention', they meant the seafarers who return to serve subsequent contracts with the company. Hence, some of the strategies companies employed to increase their retention rate included returning bonuses and seniority bonuses. Some even employed the use of continuous staff benefits (such as, personal medical benefits, family medical benefits and educational benefits for children) as long as the seafarer continuously returned to work in the company.

Thus, one of the important strategies to address the issues relating to the 'shortage' is recruitment and retention. Here, companies in the industry appear to face difficulties attracting and recruiting new talent. Compared with careers ashore, a seafaring career has many disadvantages since it involves being away from home and land for a long period of time as well as working in a relatively harsh and dangerous environment. Furthermore, the image of the industry is also suffering from negative publicity

associated with maritime accidents and pollution as well as the criminalisation of seafarers. In a globalised world, it is also important not to ignore the fact that the industry faces competition from other industries when attracting new workers. Access to and knowledge of career opportunities are much more easily within reach of young people than ever before. With the amount of information available via the internet, seafaring as a viable livelihood has become obscured amid a myriad of career options.

9.4.2 Non-wage Strategies

Employers have a variety of options they can resort to in order to modify their labour supply. The data has shown that employers used multiple strategies in their response to the 'shortage' of officers: They made adjustments to the quality of the seafarers they employ by lowering hiring standards. They have also augmented their supply of labour by requesting the seafarer to work longer than the originally agreed period. By extending the length of seafarer contracts, employers can stretch fewer seafarers on the ship's work rota. This is akin to increasing the number of work hours in shore-based workers which means fewer employees do a given amount of work. Effectively, this flexibility provides more time for companies to find replacement crew, reduces the number of staff changeovers and reduces their costs (in terms of saving administrative costs, benefits, training costs and the cost of repatriating one member of staff and sending another).

The data also revealed that rapid promotions were often used to mitigate the 'shortage'; it was common for companies to promote seafarers to positions where they had a 'shortage'. This resulted in the problem of seafarer quality. Media articles (Hand, 2007; Lloyd's List, 31 March 2008; Lloyd's List, 3 July 2008) have reported feedback from the industry as regards the quality of seafarers who (in their opinion) have been promoted prematurely. Their main concern is that many of these seafarers have been promoted before they have acquired the amount of experience the industry considers as reasonable. Although no direct evidence is available, the industry's concern was with the rising accident rates and increased protection and indemnity (that is, marine insurance) claims (AON Report, 2007).

Finally, an arguable strategy was poaching – the inadvertent attracting of seafarers from other companies by offering higher wages, employment benefits, training programmes

and even promotions. Media reports (see 4.3.3) significantly referred to poaching as a problem, often alluding to this in conjunction with the unwillingness of companies to engage in training. The data from the interviews also significantly revealed poaching as a problem in the employers' competition for seafarers. However, one company did admit engaging in such activity by joining the race to increase wages:

As I told you about the wage increase, errr.. . about 250% or whatever, right? So what does that tell you? That's called poaching isn't it? Wouldn't you call it poaching? I had to increase, realising the market was going up, and then we had to surrender to saying 'Okay, you want that quality, this particular quality, this is the price you pay'. (SC 20)

It may be argued that these human resource strategies (both wage and non-wage) do not fundamentally address the supply issue of the 'shortage'. In fact, these tactics are short-term solutions which serve only to prolong the labour crisis.

9.4.3 Barriers to Entry, Re-entry and Mobility

Entry into the seafaring labour market is restricted by training and certification. Here, a period of cadetship is compulsory in most countries in order to become a fully certified seafaring officer. In professions such as those in the legal sphere (Williams-Wynn and Nieuwenhuysen, 1982) and engineering (Scherer, 1982) opportunities for practical experience in these occupations are a function of labour market conditions. If demand for labour in these professions rises relative to supply, the market responds with vacancies for training opportunities. However, the opportunities for seafarers to obtain practical experience are not a function of the condition of the seafaring labour market. While the provision of cadet berths is necessary for individuals to fulfil the requirements for cadetship training, the availability of training berths in the industry is limited. Whereas training opportunities in the legal and engineering professions expand with a shortfall in supply and contract with an excess in supply, the seafaring labour market reports a lack of training berths, even in the midst of a reported 'shortage' of seafarers. Such barriers to entry have served only to exacerbate the situation of the 'shortage'. Because experience is essential to seafarers before they are fully competent as junior officers, their initial training as cadets is essential. Without the opportunity to serve a cadetship, individuals who have completed their formal, shore-based training cannot become qualified seafarers. Hence, graduates are

prevented from entering the labour market if they cannot obtain an opportunity for shipboard training. The provision of cadet berths (or training places onboard) is commensurate with a company's investment costs for training. Despite this, maritime companies in the UK have been shown to lack commitment in the training of seafarers (Gekara, 2008; Gould, 2011). Here, the training element in the UK Tonnage Tax has not achieved what was intended. Both Gekara (2008) and Gould (2011) found that cadets became disillusioned with how they saw their cadetships and future.

In addition to this, the mobility of seafarers wishing to return to the labour market also constitutes a significant obstacle to helping the market adjust itself. The 5-year validity period of the seafarer's CoC (Certificate of Competency) contributes to a seafarer's loss of professional qualification if he/she has been inactive in the field. This works against the flow of seafarers returning to the labour market. Here, the level of seafarer mobility between sectors and segments can either escalate or alleviate the labour 'shortage'. Hence, the obstacles to seafarer mobility influence the ability of the seafaring labour market to adjust itself, shifting supply among the various segments to where demand is more crucial.

The difference in the time-lag between the building of a ship and the training of an officer was indicated in Chapter Five. The time involved in training an officer should be factored into the barrier and mobility problem. Thus, while the decision to expand a company's fleet size can be made and executed in the short-term, the planning of the seafaring labour to operate these additional vessels requires a longer-term interval. This is the reason why poaching has often been used as an interim solution, even when a company conscientiously engages in seafarer training programmes.

9.4.4 Flexible Labour

The regulatory mechanisms in standard employment relationships have entailed risks and costs for employers. Inherent in these were protective elements that sought to safeguard the worker in the employment relationship. Non-standard employment associated with labour adaptability and labour market insecurity provides flexibility for employers. In shipping, the casualisation of seafaring labour has been linked to the flagging out process and the motivation of cost minimisation. By switching to temporary or contract labour, companies have saved on the staff benefits they were

obliged to pay their permanent staff and when business was slow, they were not obliged to keep excess staff on the payroll. From the employer's perspective, flexible employment mars commitment from seafarers; seafarers have the freedom to rush to whichever company offers them more. Thus, retention arises as a problem from the flexibility of labour to switch employers and this exaggerates employers' experience of the 'shortage'. However, employers are striving to reverse the problem of staff retention related to flexible employment conditions by enhancing employment packages with better pay, benefits and terms of employment. Paradoxically there seems to be a reluctance to reverse the trend of using temporary employment conditions.

From the data, it may be surmised that flexible employment discourages employers from training their own labour. This is especially so if their demand for labour fluctuates frequently, as is the case for the business strategies of many maritime companies which buy and sell ships on a regular basis. These companies usually depend a great deal on the open market for their seafarers – recruiting them when they require additional labour. It is, therefore, preferable for them to offer higher wages (that is, to poach) to attract the additional seafarers they need rather than to train them. At the same time, the usage of contract employment means that they are not obliged to retain seafarers in their employment when their labour demand reduces. This lack of dedication to training (as discussed in Chapter Five) serves to hinder the industry's motivation to address the issues of the labour 'shortage'.

Consequently, the initial flexibility which employers sought has backfired. The double-edged nature of the contract employment system was such that while it advantageously limited the liabilities of employers, it subsequently presented difficulties. As already indicated, because of the 'shortage' of seafarers, employers are now having to reintroduce staff benefits (such as, medical and training benefits as well as bonuses) in a bid to retain their seafarers, where before the contract system sought to eliminate the need for employers to provide such benefits. In addition, the difficulty of retaining seafarers has had an impact on the ability of companies to plan their crewing needs.

Closing Remarks

Globalisation, together with neoliberalism, has entailed the removal of barriers across borders and facilitated the free flow of goods, services and people. Because both the maritime industry's capital and labour can move across borders with ease, it is considered one of the most globalised industries in the world. The seafaring labour market has been held to most closely resemble a case of a global labour market (GLM), encompassing the global movement and the utilisation of a network of labour. Seafaring labour is highly mobile when considered in terms of its potential to be employed by employers in any country. Employers, in turn, have the relative freedom to employ seafarers of any nationality. Under these circumstances, the seafaring profession along with its labour market is considered to be globalised. However, an underlying assumption about the nature of the global labour market is that it operates in a smooth environment – that is, labour may move unhindered anywhere within the labour market with minimal obstacles.

Although the seafaring GLM is deemed to be a global workforce, the arguments in this chapter have demonstrated how local labour markets are still significant. Despite the supposed globalisation trajectory away from the nation-state, the flag state is still very much relevant in the maritime industry. State policies that determine the crewing of vessels and the wages of seafarers affect the supply of seafarers available to crew nationally-flagged ships. The disembedding of the economic from the political in the neo-liberalisation process puts states in the contradictory position of detaching themselves from the market while at the same remaining involved (Peck, 2004). States have found themselves in an odd dilemma when withdrawing their authority in order to encourage the neo-liberal agenda of the free market – they are caught between enhancing the interests of capital and defending the rights and welfare of labour.

This thesis questioned the underlying assumption of homogeneity in the global labour market for seafarers. From the perspective of a shared and interconnected labour market, the extent to which seafaring labour may be understood as global is reasonable. The findings in the study revealed global asymmetries, which showed that the seafaring GLM is not flat but has a striated structure. Segments in the labour market have arisen from systemic forces (Reich *et al.*, 1973) which distinguish labour according to the

skills required by the jobs on offer and by the introduction of competing groups. Despite the global recognition of seafaring qualifications through standard international certification, the worldwide deployment and recruitment of seafarers, well as the removal of regulatory barriers (with regard to flag state policies), there are still multiple barriers that limit the movement of seafarers horizontally and vertically throughout the segments in the seafaring market. Thus, seafaring labour market segments are not only interconnected as a network but can function relatively independently. Segments occur because seafarers and jobs do not fit together via a common market mechanism. Rather, demand and supply processes sort seafarer skills and jobs into groups. As such, despite deregulation and the creation of what is arguably an exemplar of a GLM, what we are witnessing is still a number of emergent barriers to the free movement of labour arising from the social organisation of the industry which have produced striations in the labour market.

CHAPTER TEN

Final Reflections

In this thesis, I have explored as well as endeavoured to understand the structure and workings of the seafaring labour market within a globalised framework; this has been undertaken from the perspective of the seafarer 'shortage'. The ancillary aim has been to demystify the ambiguities of the seafarer 'shortage' and in so doing offer a fundamental depiction of the nature of the global seafaring labour market. In the process, the thesis sought to determine the extent and the manner of the labour market segmentation by exploring the industry's response to diminishing seafarer supply and skills.

The discussion about the seafarer 'shortage' gained momentum in the 1990s as an awareness of a potential problem in the industry began to emerge. It prompted the first commissioned report on the maritime labour force by BIMCO and ISF. Despite the effort to objectify the labour situation, the proposed and predicted officer 'shortage' was somewhat of an enigma. The quantified labour shortfall did not reflect its logical consequence, which was the lay up of ships due to a lack of officers to operate them. Instead, what surfaced were reports from the industry about a host of concerns relating to the 'shortage'. Additionally, numerous debates arose as to what the industry's actions should be to help alleviate the problem. Entrenched in these discussions were certain underlying assumptions about the labour market which perpetuated the ambiguity and perplexity of the labour 'shortage'.

Against the backdrop of a single and global labour market, this thesis questioned the industry's assumption of a homogeneous market in its approach to the labour situation. The study set out to explore the structure of the global labour market by understanding the 'shortage' of seafaring labour. It sought to address three research questions which asked how the seafaring labour market might be segmented, how the labour market segments relate to the perceived officer 'shortage' and why the labour crisis seems to be so persistent.

To answer my research questions, I examined the grey literature from the industry media and conducted interviews with maritime organisations, shipping companies and seafarers. The analysis of the industry literature yielded about 200 relevant media articles, while the interviews yielded about 45 hours of data. I obtained robust data from my interviews and media literature which were also supplemented by informal data from personal sources. Additionally, I was fortunate to be able to tap into the expertise and knowledge of friends in the industry. Not only did they help open doors for interview opportunities, they were also a great source of information for understanding the background and intricacies of the shipping industry. They provided me with explanations and facts about the shipping industry as well as reticent information in the industry, which would not normally be accessible. As a result, I was able to gain a broad and in-depth understanding of the shipping industry and its labour market. This allowed me to make a comprehensive analysis and interpretation of the data.

10.1 Significance in the Findings

10.1.1 Implications about the Role of the Industry

The contradiction in the labour market situation is that the industry is both a victim and originator of the problem of seafarer ‘shortage’. While companies in the industry suffer the inconvenience of operational delays, rising wages and employment benefits, declining labour quality as well as losing seafarers to other companies, they have also contributed to the perpetuation of the labour ‘shortage’. During the economic recessions of the 1970s and 1980s, the industry sought to mitigate its losses and operational expenses. Among other expenses, lowering crew costs was a significant objective and this was achieved by concurrently employing the dual strategies of re-flagging the vessels and crew substitution. However, the industry did not foresee that this would bring about a host of related problems which would later turn around to haunt them.

As both the victim and originator of the labour situation, the industry has found ways to temporarily resolve the situation as much as it has helped to create the crewing crisis. In lowering their operational costs through the substitution of labour, the industry

exploited the strategy of labour casualisation. Contract labour gave companies certain advantages which seemed to help them get around the problem of a tight labour situation, namely it enabled the flexible deployment of crew. However, it also presented some disadvantages for companies. Since companies were not obliged to assure seafarers of permanent employment, seafarers in turn, were not obligated to remain with the companies. Seafarers were free to work for any company, including those which offered them better pay and employment conditions. This created difficulties with staff retention, which intensified companies' experience of the labour 'shortage'. Hence, it may also be said that the problem and the solution for the seafarer 'shortage' lies with the industry.

Perhaps the paradoxical situation of the dual roles of the industry as victim and originator exists as a result of a conflicted approach to the labour market. While companies maintain a stance to recruit 'quality' labour, they still intuitively try to moderate costs in order to keep them low. Hence, their demand for seafaring labour is separated into various quality and cost segments. Companies make decisions on the labour they will employ, and these depend on factors such as the vessel type and sophistication, the main trade route the vessel will service and the cargo being transported. The same conflict holds true for their use of flexible employment relations and the retention of their staff.

10.1.2 Market Flexibility

While a small number of authors have suggested that the global seafaring labour market is segmented to some degree (Osterman, 1975; Lucassen, 1997; Leggate and McConville, 2002; Donn, 2002; McDowell *et al.*, 2008), this is the first systematic attempt to chart and address the multiple striations that describe this complex space. Although the segments can exist separately to an extent, the flexibility of the market is important in determining how well labour is able to cope with changes to demand. This flexibility may be understood either from a numerical or a functional point of view. The seafaring labour market is numerically flexible in the supply of labour but limited in its functional flexibility. In the event of a labour 'shortage', employers can exercise numerical flexibility in the labour market by modifying their deployment of labour. Employers have used the practice of overtime onboard to adjust their use of labour.

This was done in conjunction with the maintenance of a minimum legal crew complement. Employers have additionally utilized the strategy of extending the onboard working periods or contracts of seafarers.

Comparatively, the extent to which seafarers can transfer their services to different sectors and ranks within the labour market (functional flexibility) is more limited. While employers can have a direct impact on numerical flexibility in the market, functional flexibility is mainly determined by institutional forces in the international arena of the industry. These institutions develop rules and regulations that have an impact on the workings of the labour market. They include the legislation of certification, the imposition of relevant experience, and the implementation of special training programmes among a particular sector or group of owners. Despite this, employers have some flexibility in terms of varying the job functions onboard the ship. This has resulted in seafarers taking on additional roles and tasks (often resulting in seafarer fatigue). Some companies have reportedly experimented by combining the major roles of navigation and engineer officers, requiring seafarers to undergo a special dual officers training programme. So, numerical and functionality flexibility have allowed companies to adapt themselves to the prevailing conditions within the labour market.

10.1.3 The Construction of the Market

The construction of the labour market is derived from a range of formulations attributed to variants of the 'shortage'. These have been derived from practitioners in the industry – the managers, commentators, administrators - through whom qualitative work can articulate the 'shortage'. Here, the labour market has been shown to be striated both horizontally and vertically in categories corresponding to industry sectors, industry legislation and institutional requirements, geography and conceptions of quality.

The preliminary analysis in Chapter Five set up an initial appraisal of the labour market by exploring the basic aspects of the labour 'shortage'. The definitive meaning for seafarer 'shortage' was found to be complex and multi-faceted. This social reality of the 'shortage' is a concept developed via the interactions of individuals in the context of the shipping industry and its events. Here, the social negotiations of the multiple meanings of the 'shortage' pointed toward multiple categories of seafaring labour and

thus a segmented labour market. Subsequently, the views put forward in the media are a derivative of the social interactions between individuals in the industry. The 'shortage' as reported in the media has become a social standard and an objective reality for individuals in the industry to act upon. This forms part of their common knowledge of the reality of the 'shortage' which is reinforced when acted upon.

In their discussions at conferences and public meetings, practitioners assume that their respective realities of the 'shortage' are the same and consider that they are talking about the same aspects of the 'shortage'. In reality, however, they are talking about different aspects of the same reality. It therefore seems as if they are in agreement when they are not. As an illustration of this, participants at a conference may agree that more 'cadet training' is needed as a logical solution to the 'shortage'. Then a digression may occur when someone adds another dimension to the argument, declaring that it is not a matter of training 'more' but a matter of training 'well' (the point of this is that officers should be trained to meet a certain level of quality). Following this, a new thread of reasoning may emerge concerning the quality of the institutions that train the cadet officers. Such scrutiny will then have implications for the institutions' curricula and the quality of their training facilities as well as the quality of the officers being produced. In this way, the conference participants think they agree about the reality of the seafarer 'shortage' but their failure to agree upon a solution disguises the complexity of the problem. These misconceptions reduce a complicated and structured market into a simply, structure-less entity. The danger is that the solutions generated to address the 'shortage' will be too simplistic which is unlikely to solve the problem of the 'shortage' in its complexity.

Thus, the 'shortage' may be seen as a social construct of the shipping industry (composed of its media, practitioners, institutions and seafarers); its existence is dependent upon the changeability of social individuals rather than it possessing any innate quality. Here, this study's use of participants from various groups in the industry demonstrates how these individuals contribute to the social construction of the reality of the 'shortage', and in so doing, reveal a segmented structure for the labour market.

10.2 Limitations and Mitigations

As indicated in Chapter Four, the research methods and the research process were relatively uncomplicated and did not present major problems. However, as with most studies, deficiencies in research design and processes are inevitable. A number of flaws in the research design impacted upon the data. The first of these was the failure to include seafarers (cadets and officers) as one of the target groups in the original research design. Interviews with company managers and training staff raised issues which would have benefited from information from seafarers. An earlier inclusion might have enabled me to contact and interview many more seafarers. However, the few that I interviewed (although underrepresented) provided useful first-person accounts about their experiences in the labour market.

A second shortcoming was the limitation of time and funding, which placed some pressure on me to complete the fieldwork quickly. With more time, I would have been able to expand the scope of the research to include a wider variety of interviews from organisations, companies and seafarers. Nevertheless, the depth and quality of the data generated was sufficiently rich and valid to mitigate any shortcomings arising from time pressure.

The data was gathered initially to explore issues related to the labour 'shortage' and the significance of its relationship to market segmentation only became more apparent during the coding and analysis phase of the research. It is also likely that there are limitations in generalisation as regards the findings on segmentation. The majority of the interviews were made with participants in Singapore and while the companies represented are global and the participants hail from all over the world, their views may be restricted to a particular region in the world. Here the experience of the crewing situation may be localised in terms of industrial regulations, the use of human resources and networking services. However, it should be noted that in seven of the interviews conducted with individuals in the UK, their general views about the labour situation did not significantly differ from those obtained from participants in Singapore. Thus, while I am cautious about the generalisability of the findings, I am assured that there is some universality of experience.

10.3 Further Research and Recommendations

Following the review of the literature and the analysis of the data, the study has opened new avenues for further research. The current study focused on the issue of the officer 'shortage' because the major reports of BIMCO and Drewry have consistently reflected and forecasted the demand and supply figures for this group of seafarers to be in a shortfall. However, the trend of its estimates of surplus for ratings has been dwindling, with the latest BIMCO Report showing the estimated figure for the supply of ratings to be matching its demand. It is likely that there may be an estimated shortfall for ratings in the future. It is also reasonable to claim that, with the substantial attention bestowed upon the officer 'shortage' over the past two decades, the labour situation for ratings has been overlooked. The situation hitherto of ready and abundantly available ratings has in all likelihood instilled a sense of complacency as regards the need to train this group of crew. Therefore, guided by the findings of this thesis, possible future research work could be carried out on the labour situation of ratings. Additionally, future manpower reports might consider their surveys in the light of some of the segmentations found in this study.

While it appears that labour market segmentation is valid from a structural viewpoint, there may be room for further consideration of the functionality of market segmentation. The global trend towards a flexible structure of labour markets has seen employers increasingly replacing permanent labour with contract labour (Nichols, Cam, Chou, Chun, Zhao and Feng, 2004; Standing, 1997). The use of non-regular forms of employment in the management of labour is a way for employers to avoid pensions and other employee welfare obligations. Moreover, engaging the services of employment agencies and making use of employment contracts has resulted in the transfer of economic risk away from the employer. This is especially advantageous to employers when their demand for labour fluctuates regularly. Capitalist systems use a list of strategies to attract and retain labour in its employment. The segmentation of the maritime labour force may be seen as a consequence of the use of these strategies to manage labour. By offering better wages and better conditions of employment in addition to training benefits, employers can attract a superior stratum of workers to their company. It may also be argued that the provision of cadet training berths, essential in the training of officers (discussed in 3.1.3), can be seen as a form of labour

supply control. The reluctance or inability of companies to provide training berths can act as a barrier to entry into the labour market, since the completion of an onboard cadet training period is essential for seafarers to obtain their certification. Further research is required to explore the segmentation functionality from a social standpoint, such as that proposed by Reich et al. (1973). The latter argued that the function of labour market segmentation was to perpetuate the hegemony of capitalistic institutions by dividing workers, limiting their mobility, and legitimising inequality in authority and controls. Inter-firm mobility is not encouraged by the large firms which want to maintain labour divisions for their own purposes. Segmentation has created opportunities for employers to undermine the unity of labour and to take advantage of its vulnerability. By having labour in separate segments, employers can engage in a ‘divide and conquer strategy’ (Bauder, 2006) where the interests of labour are at odds and vulnerable. In the context of a supposedly global labour market, globalisation has not demolished inequality but has allowed capital to move easily to exploit the limitations of labour.

10.4 A Final Word

*And so these men of Indostan
Disputed loud and long,
Each in his own opinion
Exceeding stiff and strong,
Though each was partly in the right,
And all were in the wrong!*

- John Godfrey Saxe, 1878 -

The understanding in the seafaring labour market and the seafarer ‘shortage’ may be juxtaposed with the tale of the ‘six blind men of Indostan’ recounted in the poem of John Godfrey Saxe. They all gave their descriptions of an animal according to their tactile experiences of an elephant. Although their separate perceptions of the animal appeared to contradict and discount the importance of the other descriptions, each one also believed that he had ‘seen’ the entire animal.

This may not be perfectly analogous to the case of the shipping industry as it is doubtful that shipping practitioners are not aware of the distinctions and relationship

between the sectors. However, it is reasonable to expect that they would place more weight on their own experience of the labour situation in a way that discounts other perspectives. The lesson from the story is that each perspective can represent a view of the segments in the labour market – in effect, the global labour market then is made up of the totality of these viewpoints, each of which are interconnect with the others. However, we may take this argument a little further by considering the degree of influence that each perspective brings to the aggregate representation of the labour market. If we consider the unequal power with which social actors bring their perspective to bear on the interpretation of a situation, we can then envisage how the amalgamated representation of the fictitious elephant will be different with varying influences (those hegemonic and non). Hence, the case for the representation of the labour situation in the maritime labour market would depend on two factors: the perspectives that are at hand and their relative importance. This would then connote a fluctuating portrayal of the labour situation for which the search for an effective solution could conceivably be complex.

BIBLIOGRAPHY

- Abercrombie, N. and Turner, B.S. (1978) The Dominant Ideology Thesis, *British Journal of Sociology*, 29, 2, 149 - 170.
- Abou-Elkawam, M. (2011) Seafarers and Growing Environmental Concerns: To Comply or not to Comply - Choices and Practices *Seafarers International Research Centre Symposium, 6-7 July*, Cardiff University.
- Ackroyd, S. and Hughes, J.A. (1981) *Data Collection in Context*, London: Longman.
- Agh, A. (2000) Globalization and Regionalization in Central Europe: Positive and Negative Responses to the Global Challenge, In Hay, C. and Marsh, D. (eds) *Demystifying Globalization*, Basingstoke: Palgrave. pp. 127-146.
- Aksel, I. and Akca, C. (2006) Effects of Globalisation on Maritime Industry; Mergers, Acquisitions *4th International Logistics and Supply Chain Congress*, Izmir, Kasim-Aralik.
- Albrow, M. (1996) *Global Age : State and Society beyond Modernity*, Cambridge: Polity Press.
- Alderton, T., Bloor, M., Kahveci, E., Lane, T., Sampson, H., Thomas, M., Winchester, N., Wu, B. and Zhao, M. (2004) *The Global Seafarer: Living and Working and Living Conditions in a Globalized Industry*, Geneva: International Labour Office.
- Alderton, T. and Winchester, N. (2001) Globalisation in the Maritime Industry: Its Effects Upon the Human Factor, In Puig, J.O., Dauer, R.R.-M., Blanco, R.G. and Mallofre, J.M. (eds) *Maritime Transport: Its Effect Upon the Human Factor*, Catalonia: UPC.
- Alderton, T. and Winchester, N. (2002)a Globalisation and De-regulation in the Maritime Industry, *Marine Policy*, 26, 35-43.
- Alderton, T. and Winchester, N. (2002)b Regulation, Representation and the Flag Market, *Journal for Maritime Research*, September 2002.
- Althausser, R.P. (1989) Internal Labour Markets, *Annual Review of Sociology*, 15, 143-161.
- American Bureau of Shipping (2006) *ABS Record: Emma Maersk (06151181)* [Online]. Available at: http://www.eagle.org/safenet/record/record_vesseldetailsprinparticular?ReferrerApplication=PUBLIC
- Anderson, B. (1991) *Imagined Communities: Reflections on the Origin and Spread of Nationalism*, London: Verso.

- AON-Report (2007) *Shipowners face further rate hikes after surge in expensive P&I claims*, London. Available at <http://aon.mediaroom.com/index.php?s=4&item=99>
- Appadurai, A. (1990) Being in the World: Globalization and Localization, In Featherstone, M. (ed) *Global Culture: Nationalism, Globalization and Modernity*, London SAGE.
- Appadurai, A. (1990) Disjuncture and Difference in the Global Cultural Economy, In Featherstone, M. (ed) *Global Culture: Nationalism, Globalization and Modernity*, London: SAGE. pp. 270-310.
- Arrow, K.J. and Capron, W.M. (1959) Dynamic Shortage and Price Rises: The Engineer-Scientist Case, *Quarterly Journal of Economics*, 73, 2 292-308.
- Asimakopoulos, J. (2009) Globally Segmented Labor Markets: the Coming of the Greatest Boom & Bust, Without the Boom, *Critical Sociology*, 35, 2, 175-198
- Atkinson, P., Coffey, A. and Delamont, S. (2003) *Key Themes in Qualitative Research: Continuities and Change*, Oxford: Altamira Press.
- Atkinson, P. and Housley, W. (2003) *Interactionism*, London: Sage Publications.
- Aydemir, A. and Robinson, C. (2008) Global Labour Markets, Return, and Onward Migration, *Canadian Journal of Economics*, 41, 4, 1285-1311.
- Backstrom, H. (2008) A Labour Market Regime beyond Flexicurity: Transicurity and Collective Job Transition Insurance on the Swedish Labour Market, In Tiraboschi, R.B.a.M. (ed) *Global Labour Market: From Globalization to Flexicurity*, The Netherlands: Wolters Kluwer. pp. 213-235.
- Bailey, N. and Winchester, N. (2012) Islands in the Stream: Revisiting Methodological Nationalism under conditions of Globalisation, *Sociology*, 46(4): 712-727
- Barnow, B.S., Trutko, J. and Lerman, R. (1998) *Skill Mismatches and Worker Shortages: The Problem and Appropriate Responses*, The Urban Institute: Report for U.S. Department of Labor
- Barr, N. (2005) *Labor Markets and Social Policy in Central and Eastern Europe: the Accession and Beyond*, Washington, D.C.: The World Bank.
- Bauder, H. (2006) *Labor Movement: How Migration Regulates Labor Markets*, Oxford: Oxford University Press.
- Beck, U. (2000) *What is Globalization?*, Cambridge: Polity Press.
- Becker, H.S. (1998) *Tricks of the Trade*, Chicago: The University of Chicago Press.

- Becker, H.S. and Richards, P. (1986) *Writing for social scientists: How to start and finish your thesis, book, or article*, Chicago: The University of Chicago Press.
- Beer, J. and Meethan, K. (2007) Marine and Maritime Sector Skills Shortages in the South West of England: Developing Regional Training Provision, *Journal of Vocational Education and Training*, 59, 4, 467-484.
- Belcher, P., Sampson, H., Thomas, M., Veiga, J. and Zhao, M. (2003) *Women Seafarers: Global Employment Policies and Practices*, Geneva: International Labour Office.
- Belcher, P. and Winchester, N. (2003) The World's Maritime Industry in 2002, In International Transport Workers' Federation, *Flags of Convenience Campaign Update*, London: ITF.
- Bell, J. (2005) *Doing Your Research Project: A guide for first-time researchers in education and social science* Maidenhead Open University Press.
- Bello, W. (2002) *Deglobalization: Ideas for a New World Economy*, London: Zed Books.
- Benner, C. (2002) *Work in the New Economy: Flexible Labour Markets in Silicon Valley*, Oxford: Blackwell Publishing.
- Benner, C. (2003) Labour Flexibility and Regional Development: The role of labour market intermediaries, *Regional Studies*, 37, 621-633.
- Benton, T. and Craib, I. (2001) *Philosophy of Social Science: The Philosophical Foundations of Social Thought*, Houndmills: PALGRAVE.
- Berelson, B. (1971) *Content Analysis in Communication Research*, New York: Hafner.
- Berg, M. (2007) From Globalization to Global History, *History Workshop Journal*, 64, 335-340.
- Berger, P.L. and Luckmann, T. (1967) *The Social Construction of Reality : A Treatise in the Sociology of Knowledge*, Harmondsworth: Penguin.
- Bijwaard, G. E. and Knapp, S. (2009) Analysis of Ship Lifecycles – The Impact of Economic Cycles and Ship Inspections, *Marine Policy*, 33, 350–369.
- BIMCO/ISF (1990, 1995, 2000, 2005, 2010) *Worldwide Supply and Demand for Seafarers*, Warwick: Institute for Employment Research, University of Warwick.
- Blandy, R. and Richardson, S. (1982) *How Labour Markets Work*, Melbourne: Longman Cheshire.

- Blank, D.J. and Stigler, G.J. (1957) *The Demand and Supply of Scientific Personnel*, New York: National Bureau of Economic Research.
- Blanpain, R. and Tiraboschi, M. (2008) *The Global Labour Market: From Globalization to Flexicurity* The Netherlands: Wolters Kluwer.
- Bloor, M. and Sampson, H. (2009) Regulatory enforcement of labour standards in an outsourcing globalized industry: the case of the shipping industry, *Work, Employment and Society*, 23, 4, 711-726.
- Bonacich, E. (1972) A Theory of Ethnic Antagonism: the Split Labor Market, *American Sociological Review*, 37, 547-559.
- Bourdieu, P. (1998) The Essence of Neoliberalism, *Le Monde Diplomatique*. Available at <http://www.monediplo.com/1998/12/08bourdieu/>
- Bowen, G.A. (2006) Grounded Theory and Sensitizing Concepts, *International Journal of Qualitative Methods*, 5, 3, 1-9.
- Bowles, S. (1973) Understanding Unequal Economic Opportunity, *American Economic Association*, 63, 2, 346-356.
- Bowring, A. (2008) Seafarer Supply and Recruitment and Placement 2008 *Shenzhen International Maritime Forum "Seafarers and Development"*, Shenzhen, China.
- Bramham, J. (1978) *Practical Manpower Planning*, London: Management Paperbacks.
- Braverman, H. (1974) *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century*, New York: Monthly Review Press.
- Breaugh, J.A. and Starke, M. (2000) Research on Employee Recruitment: So Many Studies, So Many Remaining Questions, *Journal of Management*, 26, 3, 405-434.
- British Sociological Association (2002) *Statement of Ethical Practice for the British Sociological Association*. Available at <http://www.britisoc.co.uk/media/27107/StatementofEthicalPractice.pdf>
- Brooks, M.R. (1989) *Seafarers in the ASEAN Region*, Singapore: Institute of Southeast Asian Studies.
- Brown, P., Ashton, D., Lauder, H. and Tholen, G. (2008) *Towards a High-skilled, Low-waged Workforce? A Review of Global Trends in Education, Employment and the Labour Market*, Cardiff & Oxford: ESRC Centre on Skills, Knowledge and Organisational Performance.
- Brown, P. and Hesketh, A. (2004) *The Mismanagement of Talent: Employability and Jobs in the Knowledge Economy*, Oxford: Oxford University Press.

- Bruce, D. and Dulipovici, A. (2001) *Help Wanted: Results of CFIB Surveys on the Shortage of Qualified Labour*, Toronto: Canadian Federation of Independent Business.
- Bryman, A. (1988) *Doing Research in Organizations*, London: Routledge.
- Bryman, A. (2004) *Social Science Research Methods*, Oxford: Oxford University Press.
- Buchan, J. (2002) Global Nursing Shortages are often a symptom of wider health system or societal ailments., *British Medical Journal*, 324, 7340, 751-752.
- Buraway, M. (1991) *Ethnography Unbound: Power One Resistance in the Modern Metropolis*, Berkeley, California: University of California Press.
- Burawoy, M. (1985) *The Politics of Production: Factory Regimes Under Capitalism and Socialism*, London: Verso.
- Burda, M.C. and Dluhosch, B. (2001) Fragmentation, Globalization and Labour Markets *Research Paper Series: Globalisation and Labour Markets Programme*, Nottingham: Leverhulme Centre for Research on Globalisation and Economic Policy. Available at <http://edoc.hu-berlin.de/series/sfb-373-papers/2001-41/PDF/41.pdf>
- Bureau of Transport and Regional Economics (2006) *Skill Shortages in Australia's Regions Working Paper No. 68*: Department of Transport and Regional Services, Australian Government.
- Burke, G. (2005) Skills shortages: Concepts, measurement and policy responses, *Australian Bulletin of Labour*, 2005, March, available at <http://www.allbusiness.com/australian-bulletin-labour/41310-1.html>.
- Burr, V. (2003) *Social Constructionism*, London: Routledge.
- Burton, H. and Turnbull, P. (2002) Labour Regulation and Competitive Performance in the Port Transport Industry: The Changing Fortunes of Three Major European Seaports, *European Journal of Industrial Relations*, 8(2), 133-158.
- Cain, G.G. (1975) The Challenge of Dual and Radical Theories of the Labor Market to Orthodox Theory, *American Economic Review*, 65, 2, 16-22.
- Cain, G.G. (1976) The Challenge of Segmented Labor Market Theories to Orthodox Theory, *Journal of Economic Literature*, 14, 4, 1215 -1257.
- Calhoun, C., Rojek, C. and Turner, B. (2005) *The Sage Handbook of Sociology*, London: Sage Publications.
- Campbell, I. and Burgess, J. (2001) Casual Employment in Australia and Temporary Employment in Europe: Developing a Cross-National Comparison, *Work, Employment and Society*, 15, 1, 171-184.

- Ceyhun, G.C. (2010) Enhancement of Seafarer Loyalty to the Company in Different Countries, *Denizcilik Fakultesi Dergisi*, 2, 1, 97-112.
- Chapman, P.K. (1992) *Trouble on board: the Plight of International Seafarers*, Ithaca, N.Y.: ILR Press.
- Chartered Institute of Personnel and Development, C. (2007) *Factsheet: Employee Turnover and Retention*, London: CIPD.
- Chia, L.S. (1989) ASEAN Seafarers: An Overview In Brooks, M.R. (ed) *Seafarers in the ASEAN Region*, Singapore: Institute of South-east Asian Studies. Pp 3-11
- Chin, C.B.N. (2008) *Cruising in the Global Economy: Profits, Pleasure and Work at Sea*. Hampshire: Ashgate.
- Clarke, J. (2004) Dissolving the Public Realm? The Logics and Limits of Neo-liberalism, *Journal of Social Policy*, 33, 1, 27-48.
- Cockrill, A. (2002) The Policy Implications of a Regional Case Study: Skills Shortages and Provision in the Welsh Automotive and Electronics Industries, *Journal of Vocational Education and Training*, 54, 1, 67-84.
- Coffey, A. and Atkinson, P. (1996) *Making Sense of Qualitative Data: Complementary Research Strategies*, London: SAGE Publications.
- Cohen, M.S. (1998) *Labor Shortages as America Approaches the Twenty-first Century*, Ann Arbor: The University of Michigan Press.
- Couper, A.D. (1999) *Voyages of Abuse: Seafarers, Human Rights and International Shipping*, London: Pluto Press.
- Court, C. (1987) *Basic Concepts in Sociology*, Wirral: Checkmate Publications.
- Crompton, R., Gallie, D. and Purcell, K. (1996) *Changing forms of employment : organisations, skills, and gender*, London: Routledge.
- Cryer, P. (2006) *The Research Student's Guide to Success*, Maidenhead: Open University Press, McGraw Hill Education.
- Cuff, E.C., Sharrock, W.W. and Francis, D.W. (2006) *Perspectives in Sociology*, London: Routledge.
- Cummings, S. (1980) White Ethnics, Racial Prejudice, and Labor Market Segmentation, *American Journal of Sociology*, 85, 4, 938-950.
- Davis, S.J. (1992) Cross-Country Patterns of Change in Relative Wages, In Blanchard, O.J. and Fischer, S. (eds) *NBER Macroeconomics Annual*: MIT Press. pp. 239-300.

- de Poel (June 2008) Global Labour Market Outlook *Marketing Intelligence Report*, Knutsford: de Poel Consulting.
- Deaton, D. (1981) Employers' Demand for Labour, In Creedy, J. and Thomas., B. (eds) *The Economics of Labour*, London: Butterworth. pp. pp 14-37.
- Debus, A., George, B. and Petkov, P. (2008) *Help Wanted: Labour shortage troubles deepen for SMEs in 2007*, Canadian Federation of Independent Business. Available at <http://www.cfib-fcei.ca/cfib-documents/rr3056.pdf>
- Delanty, G. (1997) *Social Science: Beyond Constructivism and Realism*, Buckingham: Open University Press.
- Denzin, N. and Lincoln, Y. (2000) *Handbook of Qualitative Research*, London: SAGE Publications, Inc.
- Denzin, N.K. (1978) *The Research Act : A Theoretical Introduction to Sociological Methods*, New York: McGraw-Hill.
- Department of Education Science and Training (2002) *Nature and Causes of Skill Shortages: Reflections from the Commonwealth National Industry Skills Initiative Working Groups*, Canberra: DEST, Australian Government.
- DeSombre, E.R. (2006) *Flagging Standards: Globalization and Environmental, Safety and Labor Regulations at Sea*, Cambridge, Massachusetts: The MIT Press.
- Dey, I. (1993) *Qualitative Data Analysis: A User-Friendly Guide for Social Scientists*, London: Routledge.
- Dickens, W.T. and Lang, K. (1985) A Test of Dual Labor Market Theory, *American Economic Review*, 75, 3, 792-805.
- Dickens, W.T. and Lang, K. (1992) Labor Market Segmentation Theory: Reconsidering the Evidence *NBER Working Paper Series* Cambridge, Massachusetts: National Bureau of Economic Research
- Dijk, T.A.V. (1997) Discourse as Social Interaction. *Discourse Studies: A Multidisciplinary Introduction*. Vol 2, London: SAGE Publications.
- Division for Ocean Affairs and the Law of the Sea (1998) *The United Nations Convention on the Law of the Sea: A Historical Perspective*, Office of Legal Affairs, United Nations. Available at http://www.un.org/depts/los/convention_agreements/convention_historical_perspective.htm
- Doeringer, P.B. and Piore M.J. (1971) *Internal Labour Markets and Manpower Analysis*, MA : Heath

- Dombois, R. and Osterland, M. (1987) *New Forms of Flexible Utilization of Labour: Part-time and Contract Work*, In Tarling, R. (ed) *Flexibility in Labour Markets*, London: Academic.
- Donaldson, L. (1994) *Safer Ships, Cleaner Seas: Report of Lord Donaldson's Inquiry into the Prevention of Pollution from Merchant Ships*, London.
- Donn, C. (2002) *Two-tiered Employment in the Global Economy* *Le Moyne College Working Paper Series*, Le Moyne: The World Maritime Industry Management Division.
- Dore, R. (2004) *New Forms and Meanings of work in an increasingly globalized world*, Tokyo: International Institute for Labour Studies, International Labour Organisation.
- Douglas, J. (1970) *The Relevance of Sociology*, New York: Appleton-Century-Crofts.
- Downard, J. (1984) *Managing Ships*, London: Fairplay Publications.
- Drewry/PAL (2007, 2008, 2009, 2010) *Annual Report: Manning* London: Drewry Publishing - Precious Associates Limited.
- du Gay, P. (1996) *Consumption and Identity at Work*, London: SAGE Publications.
- Durkheim, E. (1893) *The Division of Labour*, Hong Kong: Macmillan.
- Easton, B. (1997) *The Commercialisation of New Zealand* [Online] Available at: <http://books.google.com.sg/books?hl=en&lr=&id=DYebMJhK-q8C&oi=fnd&pg=PP9&dq=the+commercialisation+of+new+zealand&ots=-k0EL1cwfM&sig=xGjZODRlrxFUWeJ1UaKLmalUimc>
- Edwards, P., Armstrong, P., Morganson, P. and Purcell, J. (1996) *Towards a Transnational Company? The Global Structure and Organisation of Multi-national Firms*, In Crompton, R. (ed) *Changing Forms of Employment: Organisations, Skills and Gender*, London: Routledge. pp. p40-64.
- Ehrenberg, R.G. and Smith, R.S. (1993) *Modern Labor Economics: Theory and Public Policy*, New York: Harper Collins.
- Ellis, H. (2007) *Planet Chicken: The Shameful Story of the Bird on Your Plate.*, London: Sceptre.
- Ellis, N. and Sampson, H. (2008) *The Global Labour Market for Seafarers Working Aboard Cargo Ships 2003*, Cardiff: SIRC, Cardiff University.
- Employment Market Analysis and Research Team (2007) *Globalisation and the Labour Market: Conference Summary*, London: Department for Business Enterprise and Regulatory Reform

- Eriksen, T.H. (2007) *Globalization: The Key Concepts*, Oxford: Berg.
- Evangelista, J. (ed) (2002) Scaling the Tanker Market. *Surveyor (American Bureau of Shipping)* 4, 5-8
- Evans, C. and Kazis, R. (1998) *Improving the employment prospects of low income job seekers: The role of labour market intermediaries*, New York: Rockefeller Foundation.
- Evans, R.J. (1973) The Rediscovery of the Balkans, *Keio Economic Studies* 10, 1, 33-38.
- Farrell, D., Laboissiere, M., Pascal, R., Rosenfeld, J., de Segundo, C., Sturze, S. and Umezawa, F. (2005) *The Emerging Global Labor Market*, McKinsey Global Institute. Available at http://www.mckinsey.com/insights/employment_and_growth/the_emerging_global_labor_market
- Farthing, B. and Brownrigg, M. (1997) *Farthing on International Shipping*, London: Lloyd's of London Press.
- Faugier, J. and Sargeant, M. (1997) Sampling Hard to Reach Populations, *Journal of Advanced Nursing*, 26, 790-797.
- Felstead, A. and Jewson, N. (1999) *Global Trends in Flexible Labour*, Basingstoke: Macmillan.
- Ferguson, J. and Gupta, A. (2002) Spatializing states: toward an ethnography of neoliberal governmentality, *American Ethnologist*, 29, 4, 981-1002
- Fevre, R. (1992) *The sociology of labour markets*, London: Harvester Wheatsheaf.
- Fielding, J. and Gilbert, N. (2000) *Understanding Social Statistics*, London: Sage Publications.
- Fields, G.S. (2009) Segmented Labor Market Models in Developing Countries, *Articles and Chapters*, Paper 162. <http://digitalcommons.ilr.cornell.edu/articles/162>
- Fisher Associates (2004) *The Future London's Maritime Cluster: A Call for Action*, London: Corporation of London.
- Fontana, A. and Frey, J.H. (2000) The Interview: From Structured Questions to Negotiated Text. In Denzin, N. and Lincoln, Y. (eds) *Handbook of Qualitative Research* Thousand Oaks, California: SAGE Publications Ltd.
- Fourcade-Gourinchas, M. and Babb, S.L. (2002) The Rebirth of the Liberal Creed: Paths to Neoliberalism in Four Countries, *American Journal of Sociology*, 108(3), 533-579.

- Franke, W. and Sobel, I. (1970) *The Shortage of Skilled and Technical Workers*, Lexington, Massachusetts: Heath-Lexington Books.
- Freeman, R.B. (1975) Legal Cobwebs: A Recursive Model of the Market for New Lawyers, *Review of Economics and Statistics*, 57, 2, 171-179.
- Freeman, R.B. (2006) *The Great Doubling: the Challenge of the New Global Labour Market*, Berkeley: University of California, Berkeley.
- Freeman, R.B. (2006) Labor Market Imbalances: Shortages, or Surpluses, or Fish Stories? *Boston Federal Reserve Economic Conference: "Global Imbalances - As Giants Evolve"*, Chatham, Massachusetts.
- Freeman, R.B. (2007) The Great Doubling: The Challenge of the New Global Labor Market, In Edwards, J., Crain, M. and Kalleberg, A.L. (eds) *Ending Poverty in America: How to Restore the American Dream*, New York: The New Press.
- Freeman, R.B. (2007) Labor Market Institutions Around the World *NBER Working Paper Series*, Cambridge, Massachusetts.
- Freeman, R.B. (2008) The New Global Labor Market, *Focus*, 26, 1, 1-6.
- Friedberg, R.M. and Hunt, J. (1995) The Impact of Immigrants on Host Country Wages, Employment and Growth, *Journal of Economic Perspectives*, 9, 2, 23-44.
- Gardner, B.M. and Pettit, S.J. (1999) The land-based jobs market for seafarers: Consequences of market imbalance and policy implications, *Marine Policy*, 23, 2, 161-175.
- Gee, J.P. (1990) *Social Linguistics and Literacies: Ideology in Discourses*, London: Palmer Press
- Gekara, V. (2008) Are there jobs for all in the shipping industry? *The Sea*. p. 4.
- Gekara, V. (2009) Understanding attrition in UK maritime education and training, *Globalisation, Societies and Education*, 7(2), 217-232.
- Gereffi, G., Humphrey, J. and Sturgeon, T. (2005) The Governance of Global Value Chains, *Review of International Political Economy*, 12, 1, 78-104.
- Giddens, A. (1978) *Durkheim*, Glasgow: William Collins Sons & Co. Ltd.
- Giddens, A. (1990) *The Consequences of Modernity*, Cambridge: Polity.
- Giddens, A. (2002) *Runaway World: How Globalisation is Reshaping Our Lives*, London: Profile Books.

- Gilbert, N. (2006) *From Postgraduate to Social Scientist: A Guide to Key Skills*, London: SAGE.
- Glen, D. (2008) What do we know about the labour market for seafarers? A view from the UK., *Marine Policy*, 32, 845-855.
- Glen, D. and Marlow, P. (2004) Maritime Statistics: A new forum for practitioners., *Maritime Policy and Management*, 36, 2, 185-195.
- Glen, D. and McConville, J. (2001) An analysis of the employment durations of UK seafaring officers 1999, *Marine Policy*, 25, 293-301.
- Goffman, E. (1952) On Cooling the Mark Out. Available at <http://www.tau.ac.il/~algazi/mat/Goffman--Cooling.htm>
- Goffman, E. (1990) The Presentation of Self in Everyday Life, In Goffman, E. (ed) *Regions and Region Behaviour*, London: Penguin.
- Golafshani, N. (2003) Understanding Reliability and Validity in Qualitative Research *The Qualitative Report* 8, 4, 597-606.
- Goos, M. and Manning, A. (2007) Lousy and Lovely Jobs: the Rising Polarization of Work in Britain, *The Review of Economics and Statistics*., 89, 1, 118-133.
- Gould, E. (2011) Personalities, Policies, and the Training of Officer Cadets. In *Proceedings of Seafarers International Research Centre Symposium*. Cardiff, 6-7 July, 108-125.
- Graham, W. (2007) Future Skills for Sustaining the Sunshine Coast *A cadet training and employment report*, Queensland: University of the Sunshine Coast, Faculty of Business.
- Grantham, G. and MacKinnon, M. (1994) *Labour market evolution : the economic history of market integration, wage flexibility and the employment relation*, London: Routledge.
- Grbich, C. (2007) *Qualitative Data Analysis: An Introduction*, London: SAGE Publications.
- Green, F., Machin, S. and Wilkinson, D. (1998) The Meaning and Determinants of Skills Shortages, *Oxford Bulletin of Economics and Statistics*, 60, 2, 165-187.
- Greenaway, D. and Nelson, D. (2001) Globalisation and Labour Markets: Literature Review and Synthesis *Research Paper Series: Globalisation and Labour Markets Programme*, Nottingham: Leverhulme Centre for Research on Globalisation and Economic Policy, Nottingham University.

- Griffeth, R.W., Hom, P.W. and Gaertner, S. (2000) A Meta-Analysis of Antecedents and Correlates of Employee Turnover: Update, Moderator Tests, and Research Implications for the Next Millennium, *Journal of Management*, 26, 3, 463-488.
- Grimsmann, J. (1996) *The Recruitment and Placement of Seafarers Convention (No.179) and Recommendation (No.186)*, Geneva: International Labour Organization.
- Guba, E.G. and Lincoln, Y. (1994) Competing Paradigms in Qualitative Research., In Denzin, N. and Lincoln, Y. (eds) *Handbook of Qualitative Research*, Thousand Oaks California: Sage Publications
- Gubrium, J.F. and Holstein, J.A. (2001) *Handbook of Interview Research: Context and Method*, London: SAGE Publications.
- Hall, S. (2003) New Labour's Double-Shuffle, *Soundings*, 24, 10-24.
- Hamermesh, D.S. and Rees, A., E. (1988) *The Economics of Work and Pay*, New York: Harper and Row.
- Hammersley, M. (2000) *Taking Sides in Social Research*, London: Routledge.
- Hammersley, M. and Atkinson, P. (1995) *Ethnography: Principles in Practice*, London: Routledge.
- Hanagan, M. and van der Linden, M. (2004) New Approaches to Global Labor History, *International Labor and Working-Class History*, 66, 1–11.
- Hand, M. (2007) Crew Crunch a Safety Risk says Gard *Lloyd's List*, London. p. 7.
- Harding, S. (1987) *Feminism and Methodology: Social Science Issues*, Milton Keynes: Open University Press.
- Hardt, M. and Negri, A. (2004) *Multitude*, London: Hamish Hamilton, Penguin Group.
- Hart, C. (1998) *Doing a Literature Review*, London: SAGE Publications.
- Hart, C. (2001) *Doing a Literature Search: A Comprehensive Guide for the Social Sciences*, London: SAGE Publications.
- Harvey, D. (1989) *The Condition of Post-modernity: An Inquiry Into the Origins of Social Change*, Oxford: Blackwell.
- Haughton, C. (2008) Leadership Development and the Manning Crisis: why would young people want to go to sea? *The 9th Asia-Pacific Manning and Training Conference*, Manila, Philippines.
- Hay, C. and Marsh, D. (2000) *Demystifying Globalization*, Basingstoke: Palgrave.

- Held, D., McGraw, A., Goldblatt, D. and Perraton, J. (1999) *Global transformations : politics, economics and culture*, Cambridge: Polity Press.
- Herod, A. (2001) Labor Internationalism and the Contradictions of Globalization: Or, Why the Local is Sometimes Still Important in a Global Economy, *Antipode*, 33, 3, 407-426.
- Hirst, P. and Thompson, G. (1999) *Globalization in Question*, Cambridge: Polity Press.
- Hochschild, J.L. (2009) *Conducting Intensive Interviews and Elite Interviews: Workshop on Interdisciplinary Standards for Systematic Qualitative Research*, Washington D.C. : National Science Foundation Available at http://scholar.harvard.edu/jhochschild/publications/conducting_intensive_and_elite_interviews
- Hodder, I. (2000) The Interpretation of Documents and Material Culture, In Denzin, N.K. and Lincoln, Y.S. (eds) *Handbook of Qualitative Research*, London: SAGE. pp. 703-716.
- Hoffman, J. (1995) *Beyond the State: An Introductory Critique* Cambridge: Polity Press.
- Hoffman, J.E. (1980) Problems of Access in the Study of Social Elites and Boards of Directors. , In Shaffir, W.B., Stebbins, R.A. and Turowetz, A. (eds) *Fieldwork Experience : Qualitative Approaches to Social Research* New York: St. Martin's Press.
- Hollis, M. (1994) *The Philosophy of Social Science: An Introduction* Cambridge: University Press.
- Holt, R., Sawicki, S. and Sloan, J. (2010) A Theoretical Review of Skill Shortages and Skill Needs: UK Commission for Employment and Skills.
- Hopkins, M. (2003) *The Planetary Bargain: Corporate Social Responsibility Matters*, London: Earthscan Publications Ltd.
- Howell, D.C. (1999) *Fundamental Statistics for the Behavioural Sciences*, London: Duxbury Press.
- ICONS (2000) *International Commission on Shipping: Inquiry into Ship Safety. Ships, Slaves and Competition*, Charlestown, NSW: Newcastle Camera Print.
- IHS Fairplay – World Fleet Statistics (Various Years)
- Iles, P. (1999) *Managing Staff Selection and Assessment*, Buckingham: Open University Press.

- Institute of Shipping Economics and Logistics (2008) *Shipping Statistics and Market Review*, Bremen : Germany Institute of Shipping Economics and Logistics, 52 (3).
- Institute of Shipping Economics and Logistics (2010) *Shipping Statistics and Market Review*, Bremen : Germany Institute of Shipping Economics and Logistics, 54 (2).
- International Labour Organization (2001) *The Impact on Seafarers' Living and Working Conditions of Changes in the Structure of the Shipping Industry: A Report for Discussion at the 29th Session of the Joint Maritime Commission*, Geneva: International Labour Office, Sectoral Activities Programme.
- International Labour Organization (2004) *High-level Tripartite Working Group on Maritime Labour Standards (fourth meeting)*, Nantes: International Labour Organization.
- International Labour Organization (2006) *Maritime Labour Convention*, Geneva: International Labour Standards Department.
- International Labour Organization (2008) *Global Employment Trends 2008*, Geneva : International Labour Standards Department.
- International Maritime Employers' Committee Ltd (2007) *Report and Recommendations of the IMEC Officer Recruitment and Training Working Group*, London: International Maritime Employers' Committee (IMEC).
- International Maritime Organization (1995) *International Convention of Standards of Training, Certification and Watchkeeping for Seafarers, 1978*, London : IMO
- International Maritime Organization (2008) *Current Awareness Bulletin*, London : Maritime Knowledge Centre, IMO.
- International Monetary Fund (2007) *World Economic Outlook: Spillovers and Cycles in the Global Economy World Economic and Financial Surveys*, Washington, D.C.: International Monetary Fund, Publication Services. p. 323.
- International Shipping Federation (1990) *ISF Guide to International Maritime Labour Supply*, London: Lloyd's of London Press Ltd.
- International Shipping Federation (2001) *ISF Guidelines on Good Employment Practice*, London: Maritime International Secretariat.
- International Shipping Federation (2005) *ISF Annual Survey of Seafarers' Wages and Employment Costs 2005*, London : International Shipping Federation.
- International Transport Workers' Federation (2010) *Flags of Convenience Campaign*, Available at <http://www.itfglobal.org/flags-convenience/index.cfm>

- International Transport Workers' Federation (2010) FOC Campaign Review: Summary Report, conclusions and recommendations *42nd Congress, Seafarers Section Conference*, Mexico.
- ITF Handbook (2008) *Flags of Convenience Campaign* London: International Transport Workers' Federation.
- Jarviluoma, H., Moissal, P. and Vilkkio, A. (2003) *Gender and Qualitative Methods*, London: SAGE Publications.
- Jaumotte, F. and Tytell, I. (2007) The Globalization of Labor (Chapter 5), In International Monetary Fund (ed) *World Economic Outlook: Spillovers and Cycles in the Global Economy*, Washington, D.C.: IMF Multimedia Services Division. Available at <http://www.imf.org/external/pubs/ft/weo/2007/01/pdf/c5.pdf>
- Jawara, F. and Kwa, A. (2003) *Behind the Scenes at the WTO: The Real World of International Trade Negotiations*, London: Zed Books.
- Johnston, W.B. (1991) Global Work Force 2000: The New World Labor Market, *Harvard Business Review*, 69, 2, 115-127.
- Jones, A. (2007) The Rise of Global Work, *Transactions of the Institute of British Geographers*, 33, 1, 12-26.
- Jones, B. (1996) The Social Constitution of Labour Markets: Why Skills Cannot be Commodities, In Crompton, R. (ed) *Changing Forms of Employment: Organisations, Skills and Gender*, London: Routledge. pp. p109-132.
- Kahveci, E., Lane, T. and Sampson, H. (2002) *Transnational Seafarer Communities SIRC Publications*, Cardiff: Seafarers International Research Centre.
- Kalleberg, A.L. (2003) Flexible Firms and Labor Market Segmentation, *Work and Occupations*, 30, 2, 154-175.
- Kalleberg, A.L. and Sorensen, A. (1979) The Sociology of Labor Markets, *Annual Review of Sociology*, 5, 351-379.
- Kazis, R. (1998) *New Labor Market Intermediaries: What's driving them? Where are they headed?* Cambridge MA : Massachusetts Institutes of Technology
- Kent, G. (2000) Ethical Principles, In Burton, D. (ed) *Research Training for Social Scientists : A Handbook for Postgraduate Researchers* London: SAGE Publications.
- Kerr, C. (1954) The Balkanisation of Labor Markets, In Bakke, E.W. (ed) *Labor Mobility and Economic Opportunity* Boston: MIT Press. pp. 92-110.

- Kim, S. (2009) Was shipping industry separated from trade?, *The Asian Journal of Shipping and Logistics*, 25, 1, 1-7.
- Kitzinger, J. (1994) The Methodology of Focus Groups: the Importance of Interaction between Research Participants, *Sociology of Health & Illness*, 16 (1), 103-121.
- Klerck, G. (2008) Industrial relations in Namibia since independence: between neo-liberalism and neo-corporatism, *Employee Relations*, 30, 4, 355-371.
- Klikauer, T. and Morris, R. (2002) Into Murky Waters: Globalisation and deregulation in Germany's shipping employee relations., *Journal of Employee Relations*, 24, 1, 12-28.
- Klikauer, T. and Morris, R. (2003) Human resources in the German maritime industries: 'back-sourcing' and ship management. *The International Journal of Human Resource Management*, 14, 4, 544-558.
- Krueger, R.A. and Casey, M.A. (2000) *Focus Groups: A Practical Guide for Applied Research*, London: Sage Publications.
- Kumar, R. (1999) *Research Methodology: A Step-by-step Guide for Beginners*, London: SAGE Publications.
- Kumar, S. and Hoffman, J. (2002) Globalisation: The Maritime Nexus, In Grammenos, C.T. (ed) *The Handbook of Maritime Economics and Business*, London: LLP. pp. 35-62.
- Kvale, S. (1996) *Interviews : an introduction to qualitative research interviewing* Thousand Oaks, California: Sage Publications Ltd.
- Lane, A.D., Obando-Rojas, B., Wu, B. and Tasiran, A. (2002) *Crewing the International Merchant Fleet*, Cardiff : Seafarers International Research Centre, Cardiff University.
- Lane, C. and Probert, J. (2004) Globalisation and Labour Market Segmentation: the Impact of Global Production Networks on Employment Patterns of German and UK Clothing Firms *Multinationals and the International Diffusion of Organizational Forms and Practices: Convergence and Diversity within the Global Economy*, IESE Business School, Barcelona.
- Lane, T. (1986) *Grey Dawn Breaking: British Merchant Seafarers in the late Twentieth Century*, Manchester: Manchester University Press.
- Lane, T. (1996) The Social Order of the Ship in a Globalised Labour Market for Seafarers., In Crompton, R., Gallie, D. and Purcell, K. (eds) *Changing Forms of Employment: Organisation, Skills and Gender*, London: Routledge. pp. 83 - 106
- Lane, T. (2000) *The Global Seafarers' Labour Market: Problems and Solutions*, Cardiff: Cardiff University, Seafarers International Research Centre.

- Langhorne, R. (2001) *The Coming of Globalization: Its Evolution and Contemporary Consequences*, Houndmills: PALGRAVE.
- Larner, W. (2005) Neoliberalism in (Regional) Theory and Practice: the Stronger Communities Action Fund in New Zealand, *Geographical Research*, 43, 1, 9-18.
- Lash, S. and Urry, J. (1994) *Economies of Signs and Space*, London: Thousand Oaks.
- Lazzarato, M. (1997) *Immaterial Labour*, Available at <http://www.generation-online.org/c/fcimmateriallabour3.htm>: Generation Online
- Lee, E. (1997) Globalization and labour standards: A review of issues, *International Labour Review*, 136, 2, 173-189.
- Lee, G.T. and Zainal, H.B. (2007) *Maritime Manpower Challenges*, Malacca : Malaysian Maritime Academy
- Leggate McLaughlin, H. (2012) Seafarers and Seafaring. In W. Talley (ed) *Maritime Economics* Chichester: Blackwell Publishing Limited. pp 321-332
- Leggate, H. (2004) The Future Shortage of Seafarers: Will it Become a Reality., *Maritime Policy and Management*, 31, 1, 3-13.
- Leggate, H. and McConville, J. (2002) The Economics of the Seafaring Labour Market, In Grammenos, C.T. (ed) *The Handbook of Maritime Economics and Business*, London: LLP. pp. 443-468.
- Leigh, D.E. (1976) Occupational Advancement in the late 1960s: An Indirect test of the Dual Labor Market Hypothesis, *Journal of Human Resources*, 11, 2, 155-171.
- Leng, P.J. (1981) *The Welsh Dockers*, Maghull: Bridgeman Westall.
- Lent, A. (2002) *Globalisation*, London : Fabian Global Forum
- Leonard, D. (2001) *A woman's guide to doctoral studies*, Buckingham: Open University Press.
- Leontaridi, M.R. (1999) Segmented Labour Markets: Theory and Evidence, *Journal of Economic Surveys*, 12, 1, 63-100.
- Levy, F. and Murnane, R.J. (1992) U.S. Earnings Levels and Earnings Inequality: A Review of Recent Trends and Proposed Explanations, *Journal of Economic Literature*, 30, Sept, 1333-1381.
- Li, K.X. and Wonham, J. (1999) Who Mans the World Fleet? A Follow-up to the BIMCO/ISF Manpower Survey, *Maritime Policy and Management*, 26, 3, 295-303.

- Li, K.X. and Wonham, J. (2001) *The Role of States in Maritime Employment & Safety*, Dalian, Liaoning Province, People's Republic of China: Dalian Maritime University Press.
- Lillie, N. (2004) Global Collective Bargaining on Flag of Convenience Shipping, *British Journal of Industrial Relations*, 42, 1, 47-67.
- Llacer, F.J.M. (2003) Open Registers: Past, Present, and Future, *Marine Policy*, 27, 513-523.
- Lloyd's Register Fairplay – World Fleet Statistics (Various Years)
- Lloyd's List – Daily Shipping News (Various Years) <http://www.lloydslist.com/ll/>
- Lofland, J. and Lofland, L.H. (1995) *Analyzing Social Settings : A Guide to Qualitative Observation and Analysis*, London: Wadsworth.
- Lucassen, J. (1997) The International Maritime Labour Market, In Royen, P.V., Bruijin, J. and Lucassen, J. (eds) *"Those Emblems of Hell?" European Sailors and the Maritime Labour Market*, St John's, Newfoundland: International Maritime Economic History Association.
- Maerki, H.U. (2008) The Globally Integrated Enterprise and Its Role in Global Governance, *Corporate Governance*, 8, 4, 368-373.
- Makkar, J.S. (2005) Commercial Aspects of Shipping: Market Players in Shipping, *Marine Engineers Review (India)*, Jan 2005, 1-3.
- Malinowski, B. (1967) *A Diary in the Strict Sense of the Term*, London: Routledge & Kegan Paul.
- Maltby, J. and Day, L. (2002) *Early Success in Statistics*, London: Prentice Hall.
- Maritime and Port Authority of Singapore (2009) *Port Statistics*, Singapore : MPA Available at http://www.mpa.gov.sg/sites/global_navigation/publications/port_statistics/port_statistics.page
- Maritime and Port Authority of Singapore (2009) *Singapore Registered Ships*, Singapore : MPA Available at http://www.mpa.gov.sg/sites/global_navigation/publications/port_statistics/port_statistics.page
- Mason, J. (2002) *Qualitative Researching*, London: SAGE Publications.
- Mauthner, M., Birch, M., Jessop, J. and Miller, T. (2002) *Ethics in Qualitative Research*, London: SAGE.

- McDonald, I.M. and Solow, R.M. (1985) Wages and Employment in a Segmented Labor Market, *The Quarterly Journal of Economics*, 100, 4, 1115-1141.
- McDowell, L., Batnitzky, A. and Dyer, S. (2008) Internationalization and the Spaces of Temporary Labour: The Global Assembly of a Local Workforce, *British Journal of Industrial Relations*, 46, 4, 750-770.
- Metaxas, B.N. (1985) *Flags of convenience : A study of internationalisation* Gower: Aldershot.
- Miles, S. (1998) *Consumerism as a Way of Life*, London: SAGE Publications.
- Millar, J. and Salt, J. (2007) In Whose Interest? IT Migration in an Interconnected World Economy, *Population, Space and Place*, 13, 41-58.
- Millar, J. and Salt, J. (2008) Portfolios of Mobility: The Movement of Expertise in Transnational Corporations in Two Sectors - Aerospace and Extractive Industries, *Global Networks*, 8, 1, 25-50.
- Mills, C.W. (1959) *The Sociological Imagination*, Harmondsworth: Penguin Books Ltd.
- Mitroussi, K. (2003a) The Role of Organisational Characteristics of Ship Owning Firms in the Use of Third Party Ship Management., *Marine Policy*, 28, 325-333.
- Mitroussi, K. (2003b) Third party ship management: the case of separation of ownership and management in the shipping context, *Maritime Policy and Management*, 30, 1, 77-90.
- Mitroussi, K. (2004) The Ship Owner's Stance on Third Party Ship Management: An Empirical Study., *Journal of Maritime Policy and Management*, 31, 1, 31-45.
- Mittelman, J. (2001) Globalization: Captors and Captives, In Mittelman, J.H. and Othman, N. (eds) *Capturing Globalization*, London: Routledge. pp. 1-16.
- Mobley, W.H., Griffeth, R.W., Hand, H.H. and Meglino, B.M. (1979) Review and Conceptual Analysis of the Employee Turnover Process, *Psychological Bulletin*, 86, 3, 493-522.
- Moreby, D.H. (1975) *The Human Element in Shipping*, Colchester: Seatrade Publications.
- Moreby, D.H. and Springett, P. (1990) *Critical Levels: a Study of the Critical Levels for the UK Shipping Industry*, London: British Maritime Charitable Foundation.
- Morgan, D.L. (1997) *Focus Groups as Qualitative Research*, London: Sage Publications.

- Morrison, V.L. (1988) Observation and Snowballing: Useful Tools for Research into Illicit Drug use? *Social Pharmacology*, 2, 3, 247-271.
- Munck, R. (2002) *Globalisation and Labour: The New 'Great Transformation'*, London: Zed Books.
- Nichols, T. and Cam, S. (2005) *Labour in a Global World: Case Studies from the White Goods Industry in Africa, South America, East Asia and Europe*, Basingstoke: Palgrave Macmillan.
- Nichols, T., Cam, S., Chou, W.-c.G., Chun, S., Zhao, W. and Feng, T. (2004) Factory Regimes and the Dismantling of established Labour in Asia: a Review of Cases from large manufacturing plants in China, South Korea and Taiwan., *Work, Employment and Society*, 18, 4, 663-685.
- Norris, K. (1983) *The Economics of Australian Labour Markets*, Melbourne: Longman.
- Obando-Rojas, B. (2000) Using Crew Lists to Analyse the Global Maritime Workforce 2000 *Manning and Training Conference, International Shipping Federation*, London.
- Obando-Rojas, B. (2002) *STCW-95: A Guide for Seafarers*, London : In International Transport Workers' Federation.
- Obando-Rojas, B., Badigannavar, V., Lane, T., Bloor, M. and Maguire, M. (2001) *A study on fraudulent practices associated with certificates of competency and endorsements*, London: International Maritime Organisation.
- Obando-Rojas, B., Gardner, B. and Naim, M. (1999) A System Dynamic Analysis of Officer Manpower in the Merchant Marine, *Maritime Policy and Management*, 26, 1, 39-60.
- Obando-Rojas, B., Welsh, I., Bloor, M., Lane, T., Badigannavar, V. and Maguire, M. (2004) The Political economy of Fraud in a Globalised Industry: The case of Seafarers' Certifications, *The Sociological Review*, 52, 3, 295-313.
- Ocean Shipping Consultants Limited Report (2007) *LNG To 2030: A Detailed Review Of Future Volumes & Trends*, Available at http://www.maritime-rh.com/maritime_docs/osc_press_releases/LNG_to_2030.pdf
- Ohmae, K. (1990) *The Borderless World : Power and Strategy in the Interlinked Economy* London: Collins.
- Ohmae, K. (1996) *The End of the Nation State : the Rise of Regional Economies*, London: HarperCollins.

- Oladeinde, O. (2008) Global Capitalism and the Rise of Non-standard Employment: Challenges to Industrial Relations, In Blanpain, R. and Tiraboschi, M. (eds) *Global Labour Market: From Globalization to Flexicurity*, The Netherlands: Wolter Kluwer. pp. 53-59.
- Olofsson, J. (2005) *Stability or change in the Swedish Labour Market Regime?* http://www4.lu.se/images/Socialhogskolan/WP2006_3.pdf
- Osterman, P. (1975) An Empirical Study of Labor Market Segmentation, *Industrial and Labor Relations Review*, 508, 508-523.
- O'Sullivan, A. and Sheffrin, S.M. (2003) *Economics: Principals in Action*. New York: Prentice Hall
- Pallis, A.A. (2007) The Greek Paradigm of Maritime Transport: A View from Within *Research in Transportation Economics*, 21, 1-21.
- Palmisano, S.J. (2006) The Globally Integrated Enterprise, *Foreign Affairs*, 85, 3, 127-136.
- Pastor, M., Leete, L., Dresser, L., Benner, C., Bernhardt, A., Brownstein, B. and Zimmerman, S. (2003) *Economic Opportunity in a Volatile Economy: Understanding the role of labor market intermediaries in two regions*, San Jose, Madison: Working Partnership USA and the Center on Wisconsin Strategy.
- Patton, M.Q. (1987) *How to use Qualitative Methods in Evaluation*, California: Sage Publications.
- Payne, G. and Payne, J. (2004) *Key Concepts in Social Research*, London: SAGE Publications.
- Peck, J. (1996) *Work-place : the Social Regulation of Labor Markets*, New York: Guilford Press.
- Peck, J. (2004) Geography and Public Policy: Constructions of Neoliberalism, *Progress in Human Geography*, 28(3), 392-405.
- Peck, J. and Theodore, N. (2007) Flexible Recession: the temporary staffing industry and mediated work in the United States, *Cambridge Journal of Economics*, 31, 171-192.
- Perry, N. and Wilkie, R. (1973) Social Theory and Shipboard Structure: Some Reservations on an Emerging Orthodoxy, *Maritime Studies and Management*, 1, 1, 31-39.
- Perry, N. and Wilkie, R. (1974) Social Theory and Shipboard Structure: Models, Metaphors, and Ships, *Maritime Studies and Management*, 1, 136-146.

- Philpott, J. (2008) The world at work: a global labour market outlook *Impact*, 23, 24-27.
- Pilcher, J. and Coffey, A. (1996) *Gender and Qualitative Research* Aldershot ; Brookfield: VT : Avebury.
- Pindus, N., Tilly, J. and Weinstein, S. (2002) *Skill Shortages and Mismatches in Nursing Related Health Care Employment*, Washington D.C.: The Urban Institute.
- Piore, M.J. (1972) Notes for a Theory of Labor Market Stratification *Working Paper of Economics*, Massachusetts: Massachusetts Institute of Technology.
- Plecki, M.L., Elfers, A.M. and Knapp, M.S. (2006) *An Examination of Longitudinal Attrition, Retention and Mobility Rates of Beginning Teachers in Washington State*, Washington : University of Washington, College of Education, Educational Leadership and Policy Studies.
- Ponte, S. (2002) The 'Latte Revolution'? Regulation, Markets and Consumption in the Global Coffee Chain *World development* 30, 7, 1099-1122.
- Precious Associates Limited (2003) *Availability and Training of Seafarers*, Available at <http://www.oecd.org/sti/transport/maritimetransport/2489394.pdf>
- Prior, L. (2003) *Using Documents in Social Research*, London: SAGE Publications Ltd.
- Prior, L. (2008) Repositioning Documents in Social Research, *Journal of Sociology*, 42, 5, 821-836.
- Progoulaki, M. (2006) *Dealing with the Culture of the Maritime Manpower in a Socially Responsible Manner*, Chios, Greece : University of Aegean
- Punch, K.F. (2005) *Introduction to social research: Quantitative and Qualitative Approaches*, London: Sage Publications.
- Rahman, A.S. (2009) Fighting the Forces of Gravity - Seapower and Maritime Trade between the 18th and 20th Centuries *Explorations in Economic History*. Available at <http://www.usna.edu/EconDept/RePEc/usn/wp/usnawp17.pdf>
- Redman, P. (2001) *Good Essay Writing: A Social Sciences Guide*, London: SAGE.
- Reich, M., Gordon, D.M. and Edwards, R.C. (1973) A Theory of Labor Market Segmentation, *American Economic Review*, 63, 359-365.
- Reich, R. (1991) *The Work of Nations*, New York: Vintage Books.
- Rhodes, R.A.W. (1994) The Hollowing Out of the State: The Changing Nature of the Public Service in Britain, *Political Quarterly*, 65, 2, 138-151.

- Richards, D. (1996) Elite Interviewing: Approaches and Pitfalls, *Politics*, 16, 3, 199-204.
- Richardson, J.E. (2007) *Analysing newspapers : An approach from critical discourse analysis* New York: Palgrave Macmillan.
- Richardson, S. (2007) *What is a skill shortage?* Adelaide: National Centre for Vocational Education Research.
- Ritzer, G. (2004) *The Globalisation of Nothing*, Thousand Oaks, California: Pine Forge Press.
- Roe, M. (2002) Shipping Policy in the Globalisation Era: The Inter-Relationship between International, Supra-National and National Shipping Policies, In Grammenos, C.T. (ed) *The Handbook of Maritime Economics and Business*, London: LLP. pp. 495-511.
- Rowley, C. and Warner, M. (2007) Introduction: Globalizing International Human Resource Management, *International Journal of Human Resource Management*, 18, 5, 703-716.
- Rowntree, D. (1981) *Statistics without Tears*, London: Penguin Books.
- Rubery, J. (1978) Structured Labour Markets, Worker Organisation and Low Pay, *Cambridge Journal of Economics*, 2, 17-36.
- Rubery, J. (1996) The Labour Market Outlook and the Outlook for Labour Market Analysis, In Crompton, R. (ed) *Changing Forms of Employment: Organisations, Skills and Gender*, London: Routledge. pp. p23-39.
- Rubin, H.J. and Rubin, I.S. (2005) *Qualitative Interviewing: The Art of Hearing Data*, London: SAGE Publications.
- Rudiger, K. (2008) *Towards a Global Labour Market? Globalisation and the Knowledge Economy*, London: The Work Foundation.
- Rumberger, R.W. and Carnoy, M. (1980) Segmentation in the US Labour market: its effects on the mobility and earnings of whites and blacks, *Cambridge Journal of Economics*, 4, 2, 117-132.
- Sachs, J. (2007) *Bursting at the Seams*, London: BBC Reith Lectures.
- Sambracos, E. and Tsiaparikou, J. (2001) Sea-going labour and Greek owned fleet: a major aspect of fleet competitiveness, *Maritime Policy and Management*, 28, 1, 55-69.
- Sampson, H. (2003) Powerful Unions, Vulnerable Workers: The representation of seafarers in the global labour market. *Brazilian Congress of Anthropologist and Sociologists (ANPOCS)*.

- Sampson, H. (2008) Review of 'Flagging Standards - Globalisation and Environmental, Safety, and Labour Regulations at Sea' by Elisabeth R. DeSombre. The MIT Press, London, 2006, *British Journal of Industrial Relations*, 46, 4, 822-823.
- Sampson, H. and Bloor, M. (2007) When Jack Gets out of the Box: The Problems of Regulating a Global Industry, *Sociology*, 41, 551-569.
- Sampson, H. and Schroeder, T. (2006) In the Wake of the Wave: Globalization, Networks, and the Experiences of Transmigrant Seafarers in Northern Germany, *Global Networks*, 6, 1, 61-80.
- Sarfati, H. and Kobrin, C. (1988) *Labour Market Flexibility: A Comparative Anthology*, Aldershot: Gower.
- Sarup, M. (1993) *An Introductory Guide to Post-Structuralism and Post-Modernism*, New York: Harvester Wheatsheaf.
- Saul, J.R. (2004) *The Collapse of Globalism and the Reinvention of the World* London: Atlantic Books.
- Schiller, B.R. (1977) Relative Earnings Mobility in the United States, *American Economic Review*, 67, 5, 926-941.
- Schmidt, J.D. (2005) Flexicurity, Casualisation and Informalisation of Global Labour Markets *Development Research Series, Working Paper No. 133*, Aalborg East: Research Center on Development and International Relations.
- Schmitt, N. and Chan, D. (1998) *Personnel Selection: A Theoretical Approach.*, Thousand Oaks, California: SAGE Publications Inc.
- Scholte, J.A. (2005) *Globalization: A Critical Introduction*, Houndmills: PALGRAVE.
- Schrier, E., Nadel, E. and Rifas, B. (1985) *Outlook for the Liberalisation of Maritime Transport*, London: Trevor Hobbs Ltd.
- Scott, J. (1990) *A Matter of Record: Documentary Sources in Social Research*, Cambridge: Polity Press.
- Shah, C. and Burke, G. (2005) Skills Shortages: Concepts, Measurement and Policy Responses, *Australian Bulletin of Labour*, 31, 1, 44-71.
- Shipman, M.D. (1997) *The Limitations of Social Research*, London: Longman.
- Shiptalk Recruitment (2007) *Life at Sea Survey 2007/08: Seafarer Attraction and Retention Survey Report*, Gateshead, North England: Shiptalk Limited.
- Shiptalk Recruitment (2008) *Life at Sea Survey 2007/08: Salaries and Employment Benefits*, Gateshead, North England: Shiptalk Limited.

- Short, J.R. (2001) *Global Dimensions: Space, Place and the Contemporary World*, London: Reaktion Books.
- Silverman, D. (2006) *Interpreting Qualitative Data: Methods for Analyzing Talk, Text, and Interaction*, London: SAGE Publications.
- Singhal, R. (2008) Employer's Perspective on the Global Seafarer Shortage *Lloyd's List Conference on Manning and Training* Mumbai.
- SIRC (2003) *Seafarers Database*, Cardiff: Seafarers International Research Centre, Cardiff University.
- Sletmo, G.K. (1989) Shipping's Fourth Wave: Ship Management and Vernon's Trade Cycles, *Maritime Policy and Management*, 16, 4, 293-303.
- Smith, N.C. (2003) Corporate Social Responsibility, *California Management Review*, 45, 4, 52-76.
- Sohmen, H. (1983) *Shipping in Crisis: 1974-1983 : Selected Speeches and Papers*
- Sparrow, P.R. (2006) Globalisation of HR at Function Level: Exploring the Issues Through International Recruitment, Selection and Assessment Processes. *CAHRS Working Paper Series*, Ithaca, NY: Cornell University, School of Industrial and Labor Relations, Center for Advanced Human Resource Studies. pp. 1-35.
- Sparrow, P.R. (2007) Globalization of HR at Function Level: Four UK-based case studies of the international recruitment and selection process, *International Journal of Human Resource Management*, 18, 5, 845-867.
- Spradley, J.P. (1979) *The Ethnographic Interview*, London: Holt, Rinehart and Winston.
- Spruyt, J. (1994) *Ship Management*, London: Lloyd's of London Pte Ltd.
- Standing, G. (1997) Globalisation, Labour Flexibility and Insecurity: the Era of Market Regulation., *European Journal of Industrial Relations*, 3, 1, 7-37.
- Standing, G. (1999) *Global Labour Flexibility: Seeking Distributive Justice*, Basingstoke: MacMillan Press Ltd.
- Steger, M.B. (2003) *Globalization: A very short Introduction*, Oxford: Oxford University Press.
- Stiglitz, J. (2002) *Globalization and Its Discontents*, London: Allen Lane.
- Stone, G.P. (1962) Appearance and the Self, In Rose, A.M. (ed) *Human Behavior and Social Processes: An Interactionist Approach*, London: Routledge & K. Paul. pp 86-118.

- Stoof, A., Martens, R.L., Van Merriënboer, J.J.G. and Bastiaens, T.J. (2002) The Boundary Approach of Competence: A Constructivist Aid for Understanding and Using the Concept of Competence, *Human Resource Development Review*, 1, 3, 345-365.
- Storrie, D. (2006) *Restructuring and employment in the EU: Concepts, measurements and evidence*, Dublin: European Monitoring Centre on Change.
- Strauss, A. (1987) *Qualitative Analysis for Social Scientists.*, Cambridge: Cambridge University Press.
- Strauss, A. and Corbin, J. (1998) *Basics of Qualitative Research, Techniques and Procedures for Developing Grounded Theory*, Thousand Oaks, California: Sage Publications.
- Tarling, R. (1987) *Flexibility in Labour Markets*, London: Academic Press.
- Taylor, P. and Bain, P. (2005) "India calling to the far away towns": the call centre labour process and globalisation', *Work, Employment and Society*, 19, 2, 261 – 282.
- Taylor, P.J. (2000) 'Izations' of the World: Americanization, Modernization and Globalization, In Hay, C. and Marsh, D. (eds) *Demystifying Globalization*, Basingstoke: Palgrave. pp. 49-70.
- Thanopoulou, H.A. (1998) What price the flag? The terms of competitiveness in shipping, *Marine Policy*, 22, 4-5, 359-374.
- The Mackinnon Partnership (2005) *The Maritime Sector Labour Market Assessment: A review of the fishing, ports and shipping industry*, Middlesex : Maritime Skills Alliance.
- The World Bank (1995) *World Development Report 1995: Workers in an Integrating World*, Washington, D.C.: The World Bank.
- Theodore, N. and Salmon, S. (1999) Globalising capital, localising labour? The discursive manipulation of scale in Phillips' struggle for corporate profitability, *Space and Polity*, 3, 2, 153-169.
- Theotokas, I. (2007) On top of the world shipping: Greek Shipping Companies' Organization and Management, *Research in Transportation Economics*, 21, 63-93.
- Theotokas, J. (2007) Employment Practices and Greek Shipping Competitiveness, In Pallis, A. (ed) *Maritime Transport: The Greek Paradigm*, London: Elsevier. pp. 63-94.
- Thomas, M. (2004) Get yourself a proper job girlie!: Recruitment, retention and women seafarers, *Maritime Policy & Management*, 31(4), 309-318.

- Thompson, P. and Warhurst, C. (1998) *Workplaces of the Future*, New York: PALGRAVE.
- Thorndike, E.L. (1920) A Constant Error in Psychological Ratings, *Journal of Applied Psychology* 4, 1, 2529.
- Tickell, A. and Peck, J. (2003) Making global rules liberalization or neoliberalization?, In Peck, J. and Yeung, H.W. (eds) *Remaking the global economy* London: SAGE pp 163-181
- Trendle, B. (2005) *Perspectives on Skill Shortages* Working Paper No. 33 Labour Market Research Unit, Department of Employment and Training, Queensland Government.
- Trutko, J.W., Brown, B.S., Chasanov, A.B. and Pande, A. (1998) *Port Shortage Case Studies*, Washington DC: U.S. Department of Labor Employment and Training Administration.
- Tsamourgelis, I. (2007) Employment Practices and Greek Shipping Competitiveness, In Pallis, A. (ed) *Maritime Transport: The Greek Paradigm* London: Elsevier. pp. 121-170.
- Tsamourgelis, I. (2009) Selective Replacement of National by Non-national seafarers in OECD countries and the Employment Function in the Maritime Sector, *Maritime Policy and Management* 36, 5, 457-468.
- Turpin, E.A. and MacEwen, W.A. (1980) *Merchant Marine Officer's Handbook* Cambridge: Cornell Maritime Press Inc.
- Tuttle, R. and Rouaba, A. (2010) World LNG Demand will Double by 2020 as Gas Usage Rises 25%, *Shell Says* Available at <http://www.bloomberg.com/news/2010-10-20/world-lng-demand-will-double-by-2020-as-gas-usage-rises-25-outensays.html>
- U.S. Department of Transportation Maritime Administration (2006) *Review of Crewing Practices in U.S. Foreign Ocean Cargo Shipping* Available at http://www.marad.dot.gov/documents/Crewing_Report_Internet_Version_in_Word-updateJan_final.pdf
- United Nations (1985) *United Nations Convention on the Law of the Sea*.
- United Nations Conference on Trade and Development (2006) *Review of Maritime Transport*, Geneva: UNCTAD, Division on Technology and Logistics (various Years)
- Van Royen, P. (1997) The National Maritime Labour Market: Looking for Common Characteristics, In van Royen, P., Bruijij, J. and Lucassen, J.T. (eds) *The Emblems of Hell? European Seafarers and the Maritime Labour Market*, St John's, Newfoundland: International Maritime Economic History Association, pp 157-0

1870.

- Veneri, C.M. (1999) Can Occupational Labor Shortages be Identified Using Available Data?, *Monthly Labor Review*, March, 15-21.
- Wachter, M.L. (1974) Primary and Secondary Labor Markets: A Critique of the Dual Approach, *Brookings Papers on Economic Activity*, 5, 3, 637-693.
- Wacjman, J. (2002) Addressing Technological Change: The Challenge to Social Theory, *Current Sociology*, 50, 3.
- Weber, M. (1968) *Economy and Society: An Outline of Interpretive Sociology*, New York: Bedminster Press.
- Weber, M. (2005) Science as a Vocation, In Garth, H.H. and Mills, C.W. (eds) *Essays in Sociology*, London: Routledge. pp. 129-156.
- Weiss, L. (1998) *The Myth of the Powerless State : Governing the Economy in a Global Era* Oxford: Polity Press.
- Weisskoff, F.B. (1972) "Women's Place" in the Labor Market, *American Economic Association*, 62, 1, 161-166.
- Whitfield, K. (1989) *Contemporary Issues in Labour Economics*, Sydney: Harper and Row.
- Wial, H. (1991) Getting a Good Job: Mobility in a Segmented Labor Market, *Industrial Relations*, 30, 3, 396-416.
- Widdowson, H.G. (2007) *Discourse Analysis*, Oxford: Oxford University Press.
- Wilkinson, F. (ed) (1981) *The Dynamics of Labour Market Segmentation*, London : Academic Press
- Wilthagen, T. and Tros, F. (2004) The concept of 'flexicurity': a new approach to regulating employment and labour markets, *European Review of Labour and Research*, 10, 166-186.
- Winchester, N. and Alderton, T. (2003) *Flag State Audit 2003* SIRC: Cardiff University
- Winchester, N., Sampson, H. and Shelly, T. (2006) *An Analysis of Crewing Levels: Findings from the SIRC Global Labour Market Study*, Cardiff: Seafarers International Research Centre, Cardiff University.
- Wincott, D. (2000) Globalization and European Integration, In Hay, C. and Marsh, D. (eds) *Demystifying Globalization*, Basingstoke: Palgrave. pp. 168-190.

- Winterbotham, M., Shury, J., Carter, K. and Schafer, S. (2008) *International Employers Skills Survey 2007 Main Report*. Coventry : Learning and Skills Council
- Winterton, J. (2004) A Conceptual Model of Labour Turnover and Retention. *Human Resource Development International*, 3, 371-390.
- Wolf, M. (2005) *Why Globalisation Works*. London: Yale University Press.
- Workforce Northern Territories Report (2005) *Skill Shortages and Labour Demand (Chapter 8)* Available at http://www.dob.nt.gov.au/Employment/workforce_development/WorkforceNT/Documents/2005_chap8.pdf
- World Development Report (1995) *Workers in an Integrating World*. New York: Oxford University Press.
- World Trade Organization (2011) *Understanding the WTO* [Online]. Geneva: WTO Information and External Relations Division. Available at: http://www.wto.org/english/thewto_e/tif_e/understanding_e/ [Accessed: 15 July 2012]
- Wu, B. (2003) Accession to Global Seafaring Labour Market: Principles and Application of SIRC Seafarer Database in the Cruise Sector. *WU Journal of Maritime Affairs* 2, 1, 17-32.
- Wu, B. (2004) Participation in the Global Labour Market: Experience and Responses of Chinese Seafarers. *Maritime Policy and Management* 31, 1, 69-72.
- Wu, B. (2004) "Transgration" of Chinese Seafarers in Economic Transition: An Institutional Perspective on Labour Mobility. Cardiff: Seafarers International Research Centre, Cardiff University.
- Wu, B. (2005) *The World Cruise Industry: A Profile of the Global Labour Market*, Cardiff: Seafarers International Research Centre, Cardiff University.
- Wu, B. and Sampson, H. (2005) Reconsidering the Cargo Sector's Seafarer Labor Market: A 21st Century Profile of Global Seafarers. *Ocean Yearbook* 19, 357-380.
- Wu, B. and Winchester, N. (2005) Crew Study of Seafarers: A Methodological Approach to the Global Labour Market for Seafarers. *Marine Policy*, 29, 4, 323-330.
- Yannopoulos, G.N. (1988) The Economics of "Flagging Out", *Journal of Transport Economics and Policy* 22, 2, 197-207.
- Zipplies, N (2003) 'I think the German seafarer will die buty'd's List, London Available at http://www.accessmylibrary.com/coms2/summary_028624571130_ITM

APPENDICES

Appendix One: Research Access Letter

Dear Sir/Madam

PROJECT ON THE SUPPLY AND DEMAND FOR SEAFARING OFFICERS

My name is Priscilla Leong and I am a Post-graduate Researcher at the Seafarers International Research Centre (Cardiff University). My research interest is in the issue of 'shortages' in the maritime labour market. As your company is *an employer of seafarers/is acquainted with seafarer employment*, I would like to request an interview with you about my research topic.

In embarking on my research, I am carrying out a series of interviews with various personnel within the industry. Given your company's position as an *important seafarer employer/ key stakeholder associated with seafarer employment* in the maritime industry, I feel that your input is essential and valuable to my research as you would be able to provide enlightened observations and insights that are key to my study.

Conducting interviews (which normally take about an hour) is a vital part of my research. I would be grateful if you could spare the time to speak with me. It is important for me to talk to you as your input will be extremely crucial to my research.

I will be flying in to Singapore soon and would be hugely appreciative of any appointment you are able to grant me in August-September 2009. I would also be most obliged for any suggestions or referrals to other personnel in the industry you think may be able to assist with my research.

I enclose further details in an attached information leaflet and would be happy to answer any queries or furnish additional information. I look forward to hearing from you soon and anticipate your positive reply.

With sincere thanks,

Priscilla Leong

c/o The Seafarers' International Research Centre, Cardiff University
52 Park Place, Cardiff, CF10 3AT, United Kingdom
Mobile (Singapore): (65) 9228 6170 Mobile (UK): +44 07504 483606 e-mail: Leongp@cf.ac.uk



Appendix Two: Participant Information Sheet

Project Title: Understanding Seafarer 'Shortage' in the Context of a Global Labour Market

Who am I?

My name is Priscilla and I am a research student with the Seafarer International Research Centre (SIRC*), Cardiff University. I am embarking on a research project to investigate how the maritime industry understands and responds to the current global 'shortage' of deck and engineer officers.

Purpose of this research study

The purpose of this study is to develop an appreciation for how different stakeholders in the industry view the crewing 'shortage' with regard to the supply of and demand for seafaring officers. I would like to understand the concerns that you may face in connection with the 'shortage'. In particular, I would like to explore these issues with regard to how you understand them and what it means for you and your company.

What do I need you to do?

As a key stakeholder in the maritime industry, I would like to invite you to participate in this research study. I would like to interview you for about an hour about the topic of seafarer 'shortage'. With your permission, I would like to record the interview so that I have an accurate documentation of the information you give me.

You may refuse to answer some or all the questions if you don't feel comfortable with those questions. You may withdraw your participation at any point, without giving a reason.

Is the information you give during the interview kept private?

The information provided by you will remain confidential. No one except me and my supervisors will have access to it. Your name and identity will not be disclosed at any time. Recordings and anonymised transcripts of interviews will be stored in a password protected electronic file and in a locked cabinet.

What will the information be used for?

I will use the findings to write my dissertation and give a presentation in my final academic year. In the thesis, I may draw on the transcripts illustrate my arguments without identifying anyone. Drawing on the anonymised data, I may also write articles for academic journals and related industry publications.

My contact details

If you have any further questions, you may contact me at the following contact numbers and I would be happy to answer any queries you may have of this project.

Priscilla Leong

Research Student

School of Social Sciences (SOCSI), Cardiff University, UK

Mobile UK: (+44) 07504 483606

Mobile Singapore (+65) 9228 6170

Office: (+44) 029 208 77518

e-mail: leongp@cardiff.ac.uk

*For more information about SIRC, please go to <http://www.sirc.cf.ac.uk>

Appendix Three: Informed Consent Form

Cardiff University
Seafarers International Research Centre
52 Park Place
Cardiff CF10 3AT
Wales, UK
www.sirc.cf.ac.uk



Consent Form

Understanding Seafarer 'Shortage' in the Context of a Global Labour Market

Name of Researcher: Priscilla Leong

	Please initial
1. I confirm that I have read and understood the information sheets for the above study and had any questions about the research answered to my satisfaction	
2. I understand that my participation is voluntary and that I am free to withdraw at any time, without giving a reason.	
3. I am willing to take part in the interview for this research and for the interview to be recorded.	
4. I understand that no-one will have access to the recording beyond the researcher and her two supervisors.	
5. I understand that transcripts, both paper and electronic versions, will be secured in the privacy of the researcher's home office. I, therefore, grant authorization for the use of the above information with the full understanding that my anonymity and confidentiality will be preserved at all times.	

Name of participant

Date

Signature

Name of person taking consent

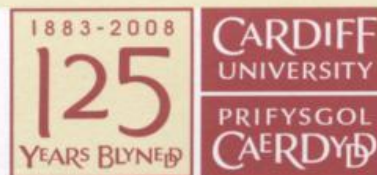
Date

Signature



Appendix Four: Ethics Committee Approval Letter

Cardiff School of Social Sciences
Director Professor Huw Beynon
Ysgol Gwyddorau Cymdeithasol Caerdydd
Cyfarwyddwr Yr Athro Huw Beynon



Cardiff University
Glamorgan Building
King Edward VII Avenue
Cardiff CF10 3WT
Wales UK
Tel Ffôn +44(0)29 2087 5179
Fax Ffacs +44(0)29 2087 4175
www.cardiff.ac.uk/
Prifysgol Caerdydd
Adellad Morgannwg
Rhodfa Brenin Edward VII
Caerdydd CF10 3WT
Cymru Y Deyrnas Gyfunol

8th January 2009

Our ref: SREC/ 451

Priscilla Leong
MPhil/PhD Programme
SIRC - SOCSI

Dear Priscilla

Your project entitled "*Understanding seafarer shortage in the context of a global labour market*" has now been approved by the School of Social Sciences Research Ethics Committee of Cardiff University at its meeting on 7th January 2009 and you can now commence the project.

Please note that since your project involved data collection abroad you may need approval from a competent body in the relevant jurisdiction.

If you make any substantial changes with ethical implications to the project as it progresses you need to inform the SREC about the nature of these changes. Such changes could be: 1) changes in the type of participants recruited (e.g. inclusion of a group of potentially vulnerable participants), 2) changes to questionnaires, interview guides etc. (e.g. including new questions on sensitive issues), 3) changes to the way data are handled (e.g. sharing of non-anonymised data with other researchers).

All ongoing projects will be monitored every 12 months and it is a condition of continued approval that you complete the monitoring form.

Please inform the SREC when the project has ended.

Please use the SREC's project reference number above in any future correspondence.

Yours sincerely

Professor Søren Holm
Chair of the School of Social Sciences Research Ethics Committee

cc: E Renton
Supervisors: P Fairbrother & N Bailey

Appendix Five: Interview Topic Guide (MAO)

MARITIME AUTHORITIES AND ORGANISATIONS

1 General

Information about Organisation/Department

Can you tell me something about your organisation/ department?

History

Structure

Responsibilities/ Purview of the Organisation or Department

Information about Interviewee

Biographical Details

Work/ Career History

2 'Shortage' & Crisis

Definition

What is your opinion/view about the issue of the manpower crisis (ie. the 'shortage' of manpower) that has been of frequent concern in the industry over the past two decades?

Alternative: The issue of manpower 'shortage' has often been a topic for debate and discussion in the industry. What is your view/opinion?

Temporal Aspects

Are there any differences in the 'shortage' now from 5, 10, or 15 years ago?

(Indicative Year/Month)

(Milestone Events)

Competence

Is there an issue with quality and/or competence?

Can you explain the difference (if any) between QUALITY, EXPERIENCE, SKILL, COMPETENCE?

How does this impact on the selection of officers?

Competition for Manpower

Are your members/customers experiencing problems with recruitment and retention of seafarers?

Manpower Planning

What are your concerns regarding the strategies to crew your flag's fleet?

Specifically strategies to ensure a sufficient and continuous supply of seafarers to operate the fleet?

3 Industry's Response

What do you think was/ were the:

What are your views of:

Impact of the industry's response?

Motivation of the industry's response?

Limitations/ Constraints of the industry's response

4 Anticipations of the Future

How else could the 'shortage' be resolved?

What do you envisage the manning scenario to be

- In the short-term (next year) ?
- In the medium-term (next 5 years) ?
- In the long-term (next 10 years) ?

Appendix Six: Interview Topic Guide (SC)

SHIPPING COMPANIES & CREWING AGENCIES

1 General

Information about Company:

Can you tell me something about your company?

History
Structure
Business

Information about Interviewee:

Can you tell me something yourself?

Biographical Details
Work/ Career History

2 'Shortage' & Crisis

What are your impressions /views of the 'shortage'?
(eg. Impending, early stages, serious, crisis, improving)

When did the 'shortage' begin to affect your company and/or its operations?

(Indicative Year/Month)
(Milestone Events)

Difficulties/ Problems

Constraints

Employment Criteria

Competition for Manpower

Manpower Planning

3 Pre-emptive & Corrective Measures

How have you attempted to resolve your difficulties/ problems related to the manpower 'shortage'?

HR Policies

Recruitment /Employment Strategies

Sourcing for alternative labour markets

4 Anticipations of the Future

What do you anticipate the scenario to be in the short, medium and longer terms?

Appendix Seven: Interview Topic Guide (SF)

SEAFARERS

1 General

Information about Interviewee

- biographical details (designation, ethnicity, nationality)
- work / career history (seafaring background, job scope, employment history/experience, career progression)

2 'Shortage' & Crisis

When did you notice the impact of the 'shortage' on you?

What were the circumstances leading to awareness/ experience of 'shortage'?

How have you been affected by the 'shortage'?

Competition for Manpower

Can you describe the competition that you face (if any) when applying for employment?

Employment Criteria

Has your working hours and work scope changed over the course of your career? Have you had to take on additional duties and responsibilities?

Constraints

How have international regulations affected you?

Manpower Planning & Strategies

Does your present company take an active role in retaining seafarers in terms of wages, employment conditions, career path and training policy?

How did you know of your current job position? (eg. advertisements, word of mouth, personnel contacts?)

3 Future Anticipations

How do you think the 'shortage' may affect you:

- In the short-term (next year) ?
- In the medium-term (next 5 years) ?
- In the long-term (next 10 years) ?