

GO TO SEA!

A campaign to attract entrants to the shipping industry

**IMO In association with ILO
BIMCO, ICS/ISF, INTERCARGO, INTERTANKO,
ITF**

November 2008



Agenda

- **The extent and nature of the problem**
- **Attractions of a career at sea**
- **Joint campaign**



Importance of ships and the seafarers that man them

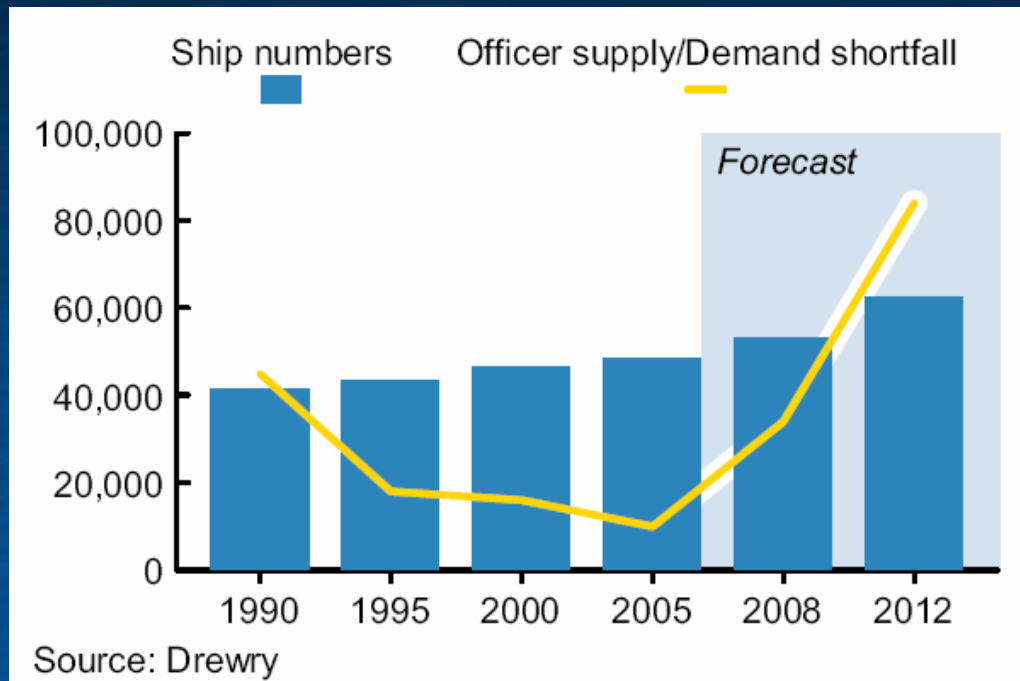
- Growing demand for goods is satisfied by shipping
- Carries over 90% of world trade
- Safe, secure, efficient and environmentally-friendly
- An industry in a state of growth with record numbers of new ships on order

- Without ships and seafarers: one half of the world would starve, the other half would freeze



Demand/supply gap

- 2005 BIMCO/ISF estimate: officer shortfall at 10,000 rising to 27,000 by 2015
- 2008 Drewry estimate: officer shortfall at 34,000 against 498,000 total, rising to 83,900 by 2012 assuming current supply levels and fleet growth at 17%

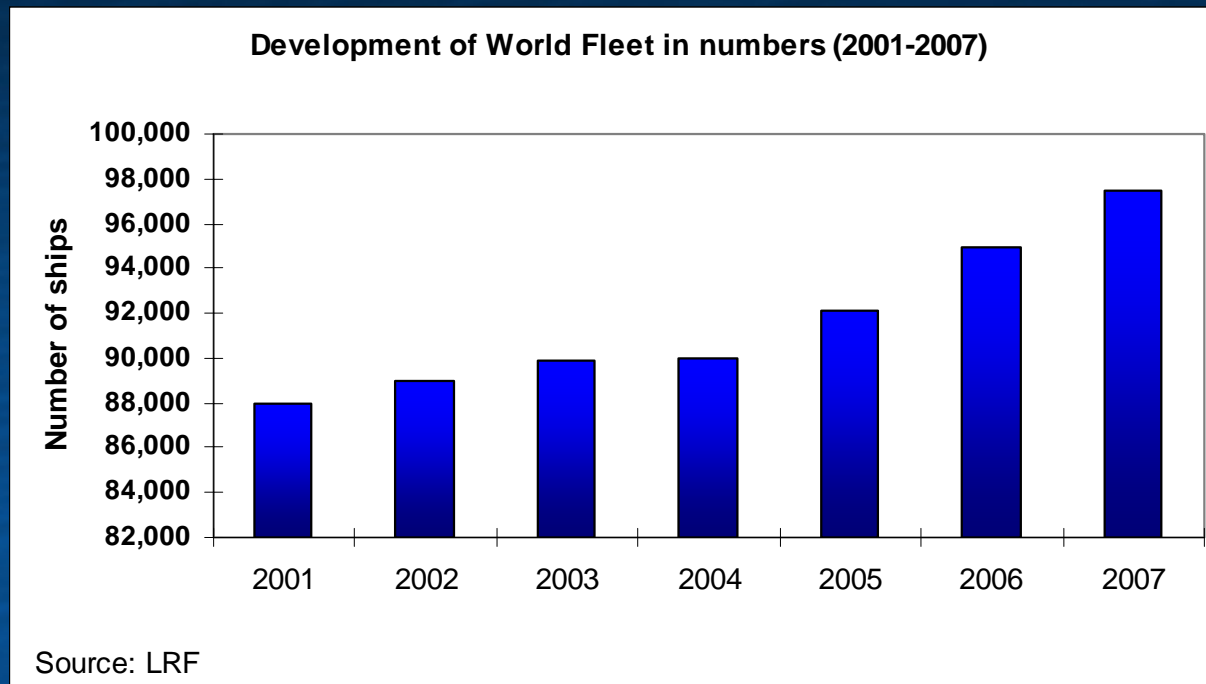


Source: Precious Associates and D.M. Jupe Consulting, Annual Report Manning-2008, Drewry Publishing, London, 2008



Development of shipping

- 1.04 billion dwt* beginning of 2007 (8.6% annual growth) where 65.9% are controlled by developed countries, 31.2% by developing countries and 2.9% by economies in transition
- Average age of world fleet is 12 years

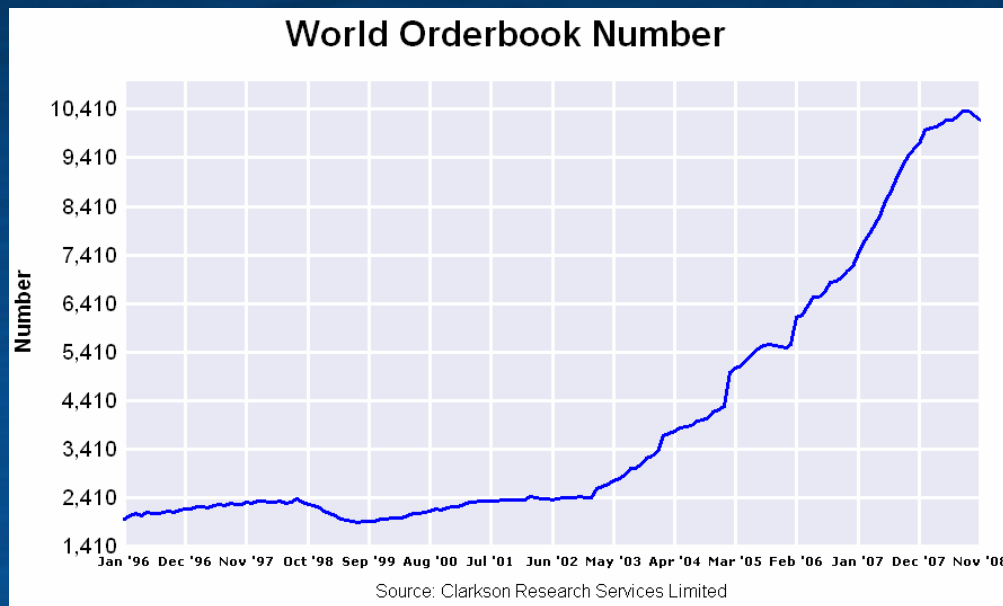


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Development of shipping

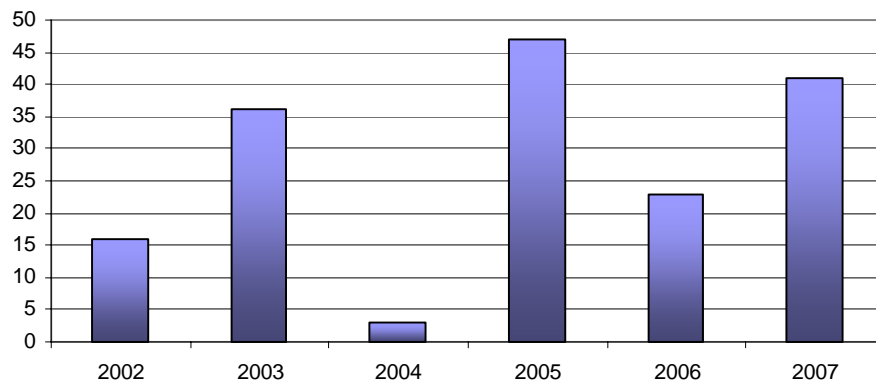
- New entrants have been attracted to the market due to the positive economic shipping cycle
- The growth of shipping has led to a shortage of seafarers despite recent downturn of economy
- One industry estimate (Intermanager) suggests that 400,000 new seafarers and 45,000 new officers will be needed



Effects on workforce

- Longer working hours and less holidays
- Less experienced workforce
- Fewer crew
- Increase in salaries and age profile
- Potential increase in fraudulent qualifications
- Impact on quality of service due to increased work, stress, fatigue

Number of fraudulent certificates reported to IMO
(2002-2007)



Selected indicative tanker master wage rates
(US\$ per month served, i.e. wages, vacation,
overtime).

	2003	2008
China	3,550-4,150	6,000-9,000
Croatia	5,700-6,800	11,000-16,000
India	5,500-5,900	9,700-11,300
Philippines	3,800-5,000	5,800-10,000
Ukraine	3,900-4,900	7,500-11,500

Source: Drewry/ PAL Global Manpower Model

Recruitment issues

Reasons for choosing a job at sea	%
I wanted a career at sea	22.4
To see the world	18.4
For the money	16.0
Better wages than jobs at home	15.8
Family tradition	7.6
Other reasons	6.0
Better prospects at sea	4.8
In my country, a seagoing career is a well-respected profession	4.8
Thought life at sea would be less stressful than at home	2.4
Working conditions are better than at home	1.9

Source: Life at Sea Survey 2007/8 – Shiptalk Recruitment

**I want a career at sea
(22.4%)**

**To see the world
(18.4%)**

Recruitment issues

The Worst Aspects of a Career at Sea	%
Long time spent apart from family & friends	67.6
Too much paperwork	34.1
Time spent away from children	29.7
Fatigue	22.3
Fear of being treated like a criminal	19.7
Onboard living conditions	18.3
Difficult to keep in contact with home	17.5
Lack of shore leave	15.7
Crews are too small to share workload	14.8
Few career opportunities	10.0
Loneliness	9.6
Concerns about accidents at sea	7.9
Lack of onboard recreational facilities	7.9
No privacy	4.8
Piracy	4.4
Bullying	0.9

Source: Life at Sea Survey 2007/8 – Shiptalk Recruitment

Time spent away from family & friends (67.6%)

Time spent away from children (29.7%)

Difficulty keeping contact with home (17.5%)

Too much paperwork (34.1%)

Fatigue (22.3%)

Fear of being treated as a criminal (19.7%)

Onboard living conditions (18.3%)

Retention issues

Reasons for staying at sea	%
I earn a good salary that I cannot match ashore	27.5
I enjoy a high level of job satisfaction	17.8
I want to sail as Captain / Chief Engineer before coming ashore	12.4
I want to work at sea until I retire	11.3
Other	9.7
Working away from home suits me best	5.9
I am saving my salary to start a new career / business ashore	5.7
I have a large number of dependents who rely on my salary	5.4
I am saving to buy a house before moving ashore	4.3

Source: *Precious Associates and D.M. Jupe Consulting, Annual Report Manning-2008, Drewry Publishing, London, 2008*



Retention issues

Did you consider your career at sea as a job for life?	%
I thought of myself progressing through the ranks and retiring with a pension after a full life career at sea	45.0
No, I wanted to remain at sea long enough to obtain some qualifications and experience and then look for a job ashore	30.6
I knew when I had family responsibilities I would have to give up my life at sea	7.4
I wanted to stay at sea long enough to buy a house and then move back ashore	6.1
No, I just needed to earn some quick money, maybe complete one or two trips and then find a job ashore	5.7
I wanted to stay long enough to save money for when I am back ashore	5.2

Source: Life at Sea Survey 2007/8 – Shiptalk Recruitment

Source: Precious Associates and D.M. Jupe Consulting, Annual Report Manning-2008, Drewry Publishing, London, 2008



Final words

- Recruitment rather than retention seems to be the problem
- Shipping carries over 90% of world trade
- Shipping is a clean, efficient and most economical mode of transport
- Shipping is aware of its obligations and responsibilities to the environment
- This message needs to be conveyed to the public!
- We must encourage the young to go to sea!



PART 2

Promoting careers in international shipping

International Shipping Federation (ISF)



PART 3

Recommended actions for industry and Governments and IMO/ILO initiatives



Recommended actions

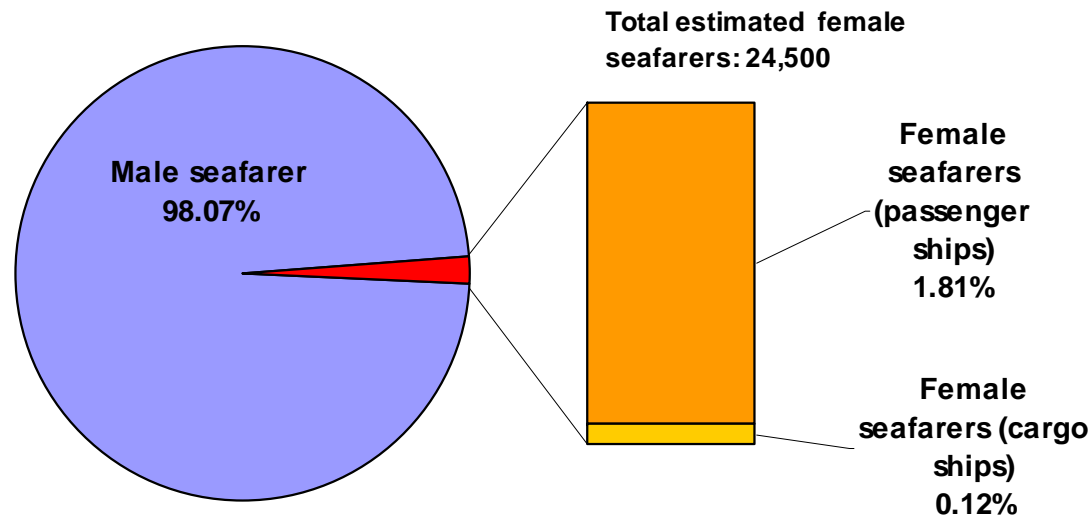
Industry

- Improve image of shipping in general and promote seafaring as a career
- Seafarers should be urged to promote shipping industry as a career
- Enhance conditions of service
- Support training institutes
- Explore possibilities to re-train professionals from related industries (fishing, naval, etc.)
- Encourage women to work in seafaring positions



Women at sea

Estimated proportion of male to female seafarers



Total estimated seafarers: 1,25 Million

Source: Based on figures from Drew ry, ILO and ITF

Recommended actions

Governments

- Establish and maintain training facilities
- Support campaigns to promote shipping as a career
- Provide training incentives to industry
- Encourage the young to visit ships and ports
- Recognize sea service instead of compulsory military service
- Promote seafaring for women
- Promote training of unemployed persons
- Reduce effects of negative administrative actions (e.g. criminalization, shore leave)



IMO/ILO initiatives

IMO initiatives:

- Raise awareness of the issue to governments and industry
- Visit training facilities and seafarer organizations to express support
- Develop a website containing information on types of career paths available to seafarers
- Promote fair treatment of seafarers
- Honour the role of the seafarer

ILO initiatives:

- Decent work for all



Thank you for your attention

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