LABOUR MARKET OBSERVATORY

Comparative inventory of issues on labour markets in maritime and inland navigation

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HOW TO UNDERSTAND AND ANALYSE THE IWT LABOUR MARKET?

Targets/ Tools/ Results
> Quantify supply and demand of crews
   => estimate the shortage

-> Observe the market framework and its evolutions
   => set up projections/ scenarios

-> Anticipate the threats to come
   => Shortage of qualified personnel, social dumping
DIFFICULTIES

- Lack of harmonised statistics depending on the countries and sources

- Bad delimitation of the criteria (shipboard personnel, temporary workers, foreigners…)

- No qualitative data available (wages, working conditions, social welfare…)
Difficulty to deliver an accurate, reliable and complete picture

Analysis are too approximate

Threats to come are not correctly anticipated

=> ALTERNATIVE: Observe maritime labour market for a comparative approach
OBSERVATION OF THE MARITIME LABOUR MARKET

Analysis model
Market structure
Evolution of the sector
**World supply for seafarers (2010)**
Source: BIMCO/ISF

<table>
<thead>
<tr>
<th>Region</th>
<th>Officers</th>
<th>Rating</th>
<th>Officers</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>OECD Countries</td>
<td>184,000</td>
<td>29,4%</td>
<td>143,000</td>
<td>19,1%</td>
</tr>
<tr>
<td>EASTERN EUROPE</td>
<td>127,000</td>
<td>20,3%</td>
<td>109,000</td>
<td>14,6%</td>
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<tr>
<td>AFRICA / LATIN AMERICA</td>
<td>50,000</td>
<td>8,0%</td>
<td>112,000</td>
<td>15,0%</td>
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<tr>
<td>ASIA</td>
<td>184,000</td>
<td>29,4%</td>
<td>275,000</td>
<td>36,8%</td>
</tr>
<tr>
<td>INDONESIA</td>
<td>80,000</td>
<td>12,8%</td>
<td>108,000</td>
<td>14,5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>625,000</strong></td>
<td><strong>100,0%</strong></td>
<td><strong>747,000</strong></td>
<td><strong>100,0%</strong></td>
</tr>
</tbody>
</table>
Worldwide shortage of maritime officers

![Graph showing the shortage of maritime officers from 1990 to 2008.](image)
Shortage of maritime officers: possible scenarios

Source: BIMCO/ISF estimates
TRENDS

- **Ageing seafarers**
  - 50% OECD officers > 40 y.o.
  - 25% OECD officers > 50 y.o.

- **Shortage of officers**

- **International crews:**
  European seafarers in European fleet decreasing by about 40% in 20 years
MARKET STRUCTURE

- Deep modification during the last 20 years affecting the structure and the labour market conditions

=> Globalization of the labour market
Employees
- Flexibility (mobility of workers)
- Work security (social welfare)
- Wages

Companies
- Concentration of companies
- Externalisation of activities
- Flag of convenience/ relocation

Change of the applicable social law

Change of the market access rules

SOCIAL DUMPING
Evolution of the maritime labour market

- Free registration
- Flag of convenience
- Social dumping
- International specialization of the labour market

Flag of convenience of the world fleet

<table>
<thead>
<tr>
<th>Year</th>
<th>1983</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
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<tbody>
<tr>
<td>Value</td>
<td>23%</td>
<td>42%</td>
<td>56%</td>
<td>67%</td>
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International specialization of the labour market

<table>
<thead>
<tr>
<th></th>
<th>OFFICERS</th>
<th>RATINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demanding countries</strong></td>
<td>Ex: Western Europe</td>
<td>Ex: Norway</td>
</tr>
<tr>
<td><strong>Supplying countries</strong></td>
<td>Ex: Poland</td>
<td>Ex: Poland, China, India, the Philippines ...</td>
</tr>
</tbody>
</table>

⇒ Development of worldwide recruiting agencies network

⇒ Development of partnerships with training centres in the supplying countries (case of Norway)
CONCLUSION

How will Inland Navigation react in this context?

- Concentration / diversification => threats for the survival of the independents
- Social dumping => What perspectives for the European crews?
- International crews and the legal control (River States Control?)
- Apply adapted analysis tool: Socio-economic Observatory of labour market
THANK YOU

FOR YOUR ATTENTION