

Seafarer Labour Market and Professional Training Albanian Case

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Abstract

During these years of transition in Albania, there have been a lot of changes in demand for seafarers. This is due to economical ups and downs that the economical development of the country has gone through.

The aim of this paper is to evaluate the seafarer's labor market in Albania and the European region and training institutions offering professional training and certification for seafarers.

The balance between the offer of the maritime professional education institutions and the demand of the labor market has changed during the course of years. Supply patterns have shifted according to the market ups and downs and changes that market has undergone. Before 90', Albanian seafarers were not allowed to be embarked onboard vessels flying foreign flags, but with latest developments the situation has changed. In 1994 Albania became a party to the IMO, and from that time on, Albania continued to work hard in order to adopt and implement international maritime conventions. In 20 June 2002 Albania became party to the STCW 1978/95 Convention as amended, and all professional education institutions offering maritime education have adopted their curricula according to the requirements of this convention.

This paper covers the issues of the demand of the maritime sector, the size of the merchant fleet, possibilities of the integration of the maritime sector professionals with the needs of the national and regional market, all these seen in the optics of the seafaring labor market situation and education issues. In this paper we have analyzed the stages that the Albanian maritime sector has undergone in the course of the 25 years of transition.

KEYWORDS: seafarer, labor market, STCW, maritime education institutions

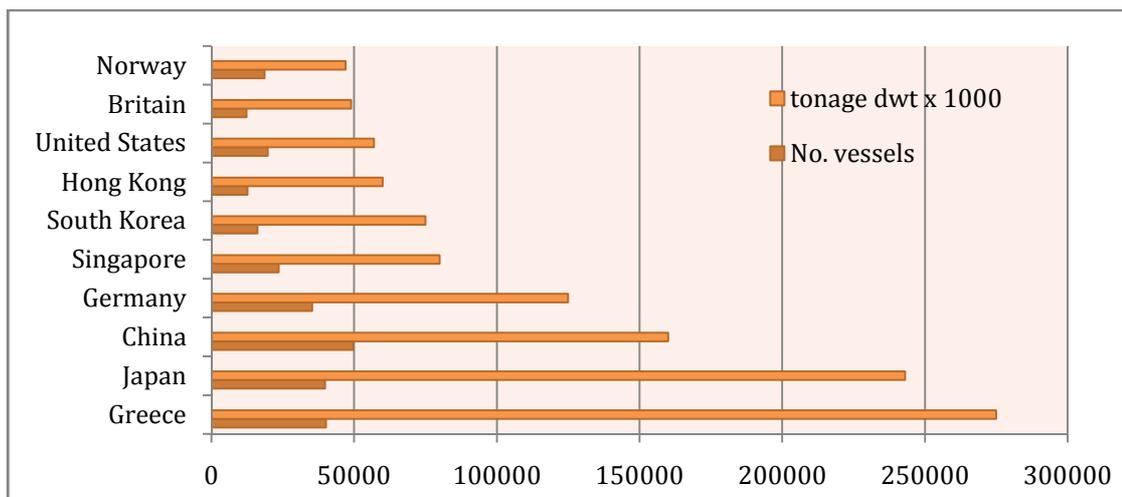
1. Overview of the Global seafarer labor market.

1.1 Shipping Industry

Maritime transport is very crucial for the world economy. More than 90% of the cargoes are transported by sea and this reflects the importance of the world merchant fleet to the world economy. In 2015 the world fleet counted for an overall tonnage of 1.75 billion dwt., and the overall number of the vessel was 89,464. More than 1.2 million seafarers are directly employed on board these vessels. The world fleet grew by 3.5%, which in fact is the lowest annual growth rate in over a decade.

Top largest ship-owing countries are Greece, Japan, China, Germany and Singapore. Together these countries control more than half of the world overall tonnage. The following chart gives us the ranking of the top ten countries, which own the greatest number of vessels registered. As it can be observed from this chart, 3 out of 10 countries are European ones. (The Britain has not been counted because of Brexit).

Chart 1 Top ten maritime countries



During 2015 the seaborne trade grew 2.3%, a figure this below the pre-crisis levels. Global seaborne shipments have increased 3.4%. The overall seaborne cargoes transported by sea during 2015 reached as much as 9.84 billion tons.

Naturally, developing countries share of global imports measured by volumes of transported cargoes reached a total of 61% of the world seaborne imports, a figure that has tripled since year 1970. During the last decades there has been a general tendency in shifting from general cargo or liner companies toward container companies. The number and size of container vessels has been increased significantly, contributing directly in the mass transport of the goods as well as in the cutting down the transport costs. The biggest container ship is MV “Globe”, owned and operated by the Chinese Shipping Container Lines (CSCL), able to transport up to 19.100 TEU’s.

The above figures indicate the importance of the maritime transport, and the ever-growing tendency this sector has had during the course of years.

1.2 Existing situation in Albania

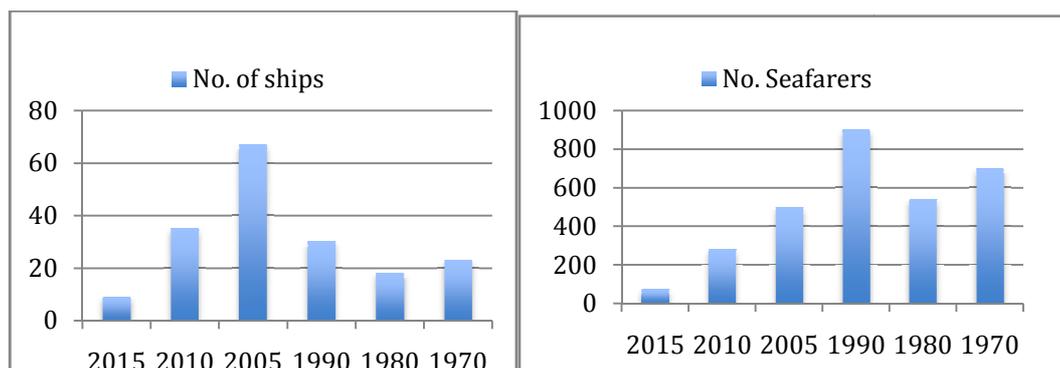
Albania is a maritime country and it has a coastline of 296 nm. Along this coastline there are four main ports namely: Port of Durres, Port of Vlore, Port of Shengjini and Port of Saranda. Apart of these four main ports, during the last decade there has been a progress in the port sector, and two other ports have been constructed. One of these ports is situated in Vlora Bay and the other is situated north of the existing commercial Durres port. Both ports are engaged in loading/unloading oil and oil products.

There are a number of marinas planned to be constructed or already constructed. Actually there is one officially opened marina in Oricum, Vlore. This is a new sector, because until three years ago there was a memorandum on recreational boats. After the repeal of this memorandum the number of touristic crafts registered under Albanian flag or owned by Albanians has increased.

Regarding the fishing fleet there are a number of 260 fishing vessels allocated in the four main ports of the country. This fleet is increasing making this sector increase the demand for seafarers as well.

The merchant fleet of Albania has undergone ups and downs during different periods the economy of the country has gone through. The following chart 2, gives an overview of the number of the ships, tonnage and crew employed on these ships.

Chart 2 Number of ships and seafarers in Albanian Merchant fleet.

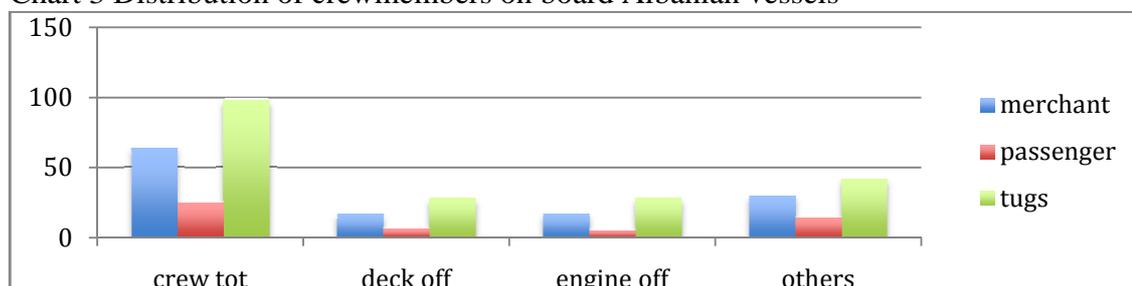


As it can easily be observed from these charts, the number of the ships and the respective number of seafarers that have been employed on these ships has changed. This is correlated to the economic and political developments of the country. The latest had more influence on the size of the merchant fleet and number of seafarers engaged there. If we have to compare the chart of the number of ships and the number of seafarers employed there is a discrepancy for example in years 2005 and 1990. In 2005 we observe a greater number of ships (67) compared to a smaller number of ships (30) in 1990, and surprisingly the number of seafarers employed in these ships in 2005 (500) is significantly smaller than in 1990 (900). This is due to the old aged ships Albanian merchant fleet had at that time and outdated technology. The majority of these ships were out of order and there were an outdated technology. The number of the crews of ships was overcrowded. In 2005 there were dramatic changes in the technology of shipbuilding, navigation and cargo handling. This downsized significantly the number of the crew onboard merchant ships.

According to the above chart we observe that in 2015, the number of the ships is too low. There are only 9 registered ships under Albanian flag. This has happened because due to the increased port state control requirements, many of ships flying Albanian flag faced a number of detentions from port state control, and were forced to stay for long time out of the market. It took some time until their owners realized that the best action was to take the decision to demolish and scrap their ships. With the improvement of technology, regarding navigation, radio communication, cargo handling, specializing of the types of ships etc., the number of the crew on board has been reduced. Therefore, if during 90' a vessel with a tonnage of 15.000 Dwt had an average of 44 crewmembers on board, today the same tonnage vessel has less than half of this number (15 – 18 crew on board).

Regarding the distribution of roles of crewmembers on board this is shown in chart 3, where we have taken into account deck department (master, chief and other officers, engine room crew and others).

Chart 3 Distribution of crewmembers on board Albanian vessels



2. International seafarer's Labor Market.

Manning the ships is a very international business. If we have to look at the crew lists of ships calling our ports, we realize that in almost every ship you will find two or more nationalities of crew on board. Even on board a small fishing vessel you might find more than one nationality. Emigration is one reason. The other is that there is not always enough seafarer's supply for all roles on board. A country might have enough deck officers but not as much engine ones. Another reason is the salary. Ship-owners always try to save money and pay less, but not always you might find cheap labor force (seafarers) in your region, therefore ship owners recruit crews internationally. Another strong reason for recruiting crew from other countries is because it is very difficult to find skilled crews. Accidents mainly happen because of the human error and this is becoming a very serious concern for management companies, insurance industries and ship owners themselves.

Shipping industry is central to the global economy - more than 90% of the world's trade is seaborne. There are more than 150 countries, which have merchant fleets and operate them, and approximately 1,2 million of seafarers are directly employed in the world merchant fleet. Navigational technology and all other technology on board ships have been developed in a dramatic way. This has changed the way ships are built and operated. The number of crews has been reduced and many operations on board are automated. For this purpose skilled and experienced crews are essential to the successful operation of today's technologically advanced vessels.

According to an IMO report of 2010, "Challenge to the industry securing skilled crews in today's marketplace" the crew size has been reduced significantly. VLCC vessels for example are operated by only 24 – 26 persons, Suezmax by 22 – 24 crew, Aframax 21 – 24, Panama bulker 20 – 24, Handy bulker/refer 20-22. LNG/LPG 15 – 24 and product tanker automated 20-24

Since the salary of the seafarers differs from region to region, this is another factor that has contributed to mixed crews on board ships. The following table 1 shows the salaries of categories of crew according to regions.

Table 1 Seafarers salaries according to regions and category on board

Category	EUROPE	North America	South Africa/ middle East & Asia Pacific
Master	8750\$	11317\$	8983\$
Chief officer	6432\$	9113\$	6902\$
2nd officer	3174\$	4795\$	4050\$
3rd officer	2773\$	3923\$	3310\$
Chief engineer	8097\$	10974\$	8784\$
2nd engineer	5880\$	9133\$	6902\$
3rd engineer	3086\$	4581\$	4050\$
4th engineer	3030\$	3798\$	3300\$
Electrician	3829\$	4760\$	4622\$
Bosun	1586\$	1849\$	1536\$
Able seaman	1227\$	1553\$	1536\$

As it can be realized from this table the most paid jobs at sea are deck and engine officers where the utmost skills are required. Skilled seafarers are directly dependent of the maritime educational system established in countries offering maritime education. Observing again world statistics we can understand that where these seafarers come from. The following table 2

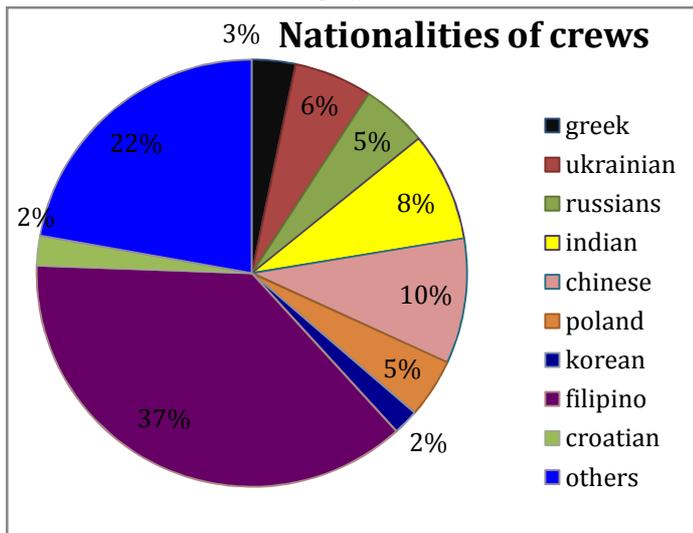
Table 2 Principal nationalities of officers in the world merchant fleet (according to world regions)

Nationality	Europe	North America	South Africa/ ME& Asia Pacific
Philipinos	34%	35%	30%
Indians	17%	16%	30%
North Americans		1%	
Europeans	21%	13%	13%
Balkans	8%	6%	6%
Ukrainians	8%	1%	
Russians	2%	10%	1%
Eastern Europe		3%	2%

This table shows that the greatest number of officers (deck and engine) in the world's merchant fleet comes from Philippines followed by India. This is due to the commitments these countries have made to establish maritime education institutions.

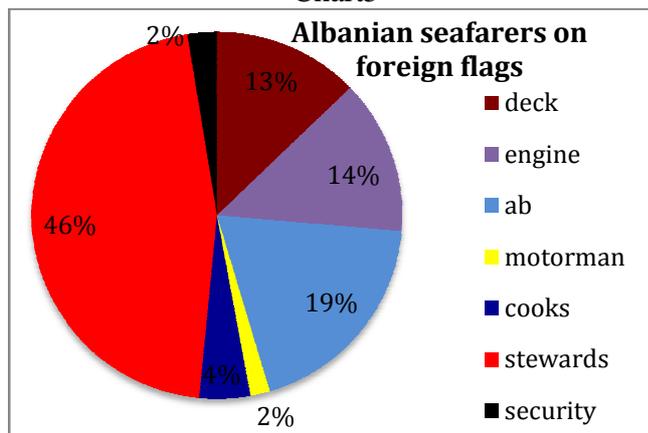
According to a report of U. S. Department of Transportation the crews today are very international. Studying the crew lists of the ships calling US ports it was observed that from 7247 crew lists with 149 327 individuals, it resulted that the nationalities of the crews on these ships were as shown in the following chart:

Chart 4



This internationalization of ship manning has created new possibilities for seafarers coming from South East Europe and Albania as well. This appeals for the specification of national requirements regarding maritime education and make these requirements compatible with international standards.

Chart5



Albanian seafarers have become part of the international market even though in modest percentage. Today there are about 615 Albanian seafarers onboard foreign flagships. Among them there are 75 deck officers, 80 engine officers, 112 able seamen, 10 motorman, and 26 cooks. The rest are employed as stewards (270) mainly on Italian flag vessels and ferry boats flying Italian, Cyprus, Liberia, Congo and Moldavia flags. There are 15 security officers sailing in these hot spot areas regarding security issues. This shows that Albanian seafarers have started to be part of the international crewing market. The following chart shows the involvement of Albanian seafarers in the international crewing market.

3. Maritime education in Albania

Albania is one of the countries of the Adriatic and Ionian basin offering maritime education. The following institutions are offering this education:

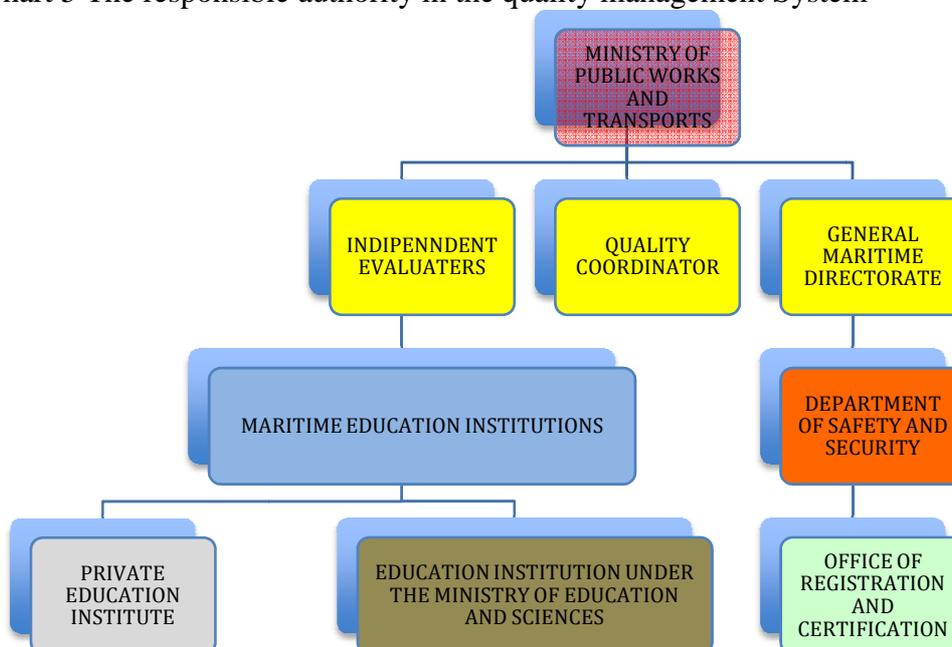
- University “Ismail Qemali” of Vlora
- University “Aleksander Moisiu” of Durres

- High fishing school in Durres
- TSTS group training center (offering STCW basic training courses)

Before 1990 the only institution offering maritime training for deck officers was the higher naval school of Vlora. Than Vlora University opened the naval faculty in order to prepare deck, engine and naval architects. This increased the number of graduates. In 2013 the University “Aleksander Moisiu” of Durres opened the first navigation class and in 2016 we had the first graduates contributing together with “Ismail Qemali” University in the education of the deck officers. The following charts 6 shows the trend of the graduates of the maritime sector.

The satisfaction of the quality standards in these maritime education institutions is realized through agreements between such institutions and the maritime administration as it is foreseen in the quality manual on the formation, education, examination, certification and inspection activities for seafarers. The following chart shows the way the authority is transmitted through the quality management system.

Chart 5 The responsible authority in the quality management System



The purpose of this procedure is to determine and explain the processes followed from the Ministries regarding the authorization of the education institution, accreditation and the implementation of the curricula in private and public institutions for the maritime professions.

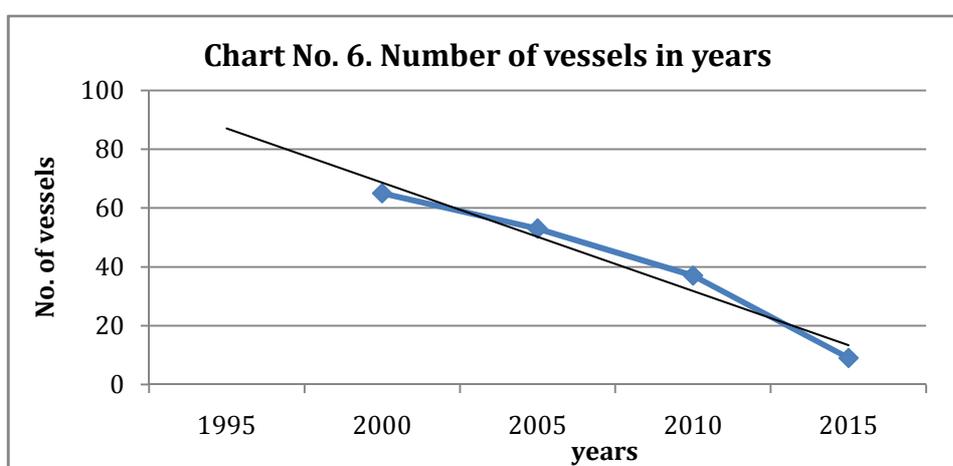
All institutions offering maritime education in Albania have adopted in their curricula all required elements of STCW 78/95 Convention in order to properly implement these standards such as:

- Aim and objectives,
- The minimum standards of acceptance
- Qualifications of staff, their experience on the subject, teaching abilities, etc.,
- Facilities and needed equipment to fulfill the objectives,
- Curricula’s, syllabuses schedules and course materials,
- Teaching methods, lectures, professional practices, audiovisual aids,

- Evaluating methods,
- Certificates to be issued according to STCW provisions
- Student's services and other services,
- Information on safety and security

The implementation of the STCW 78/95 standards and requirements is a cornerstone to future integration of our students in the seafarers market.

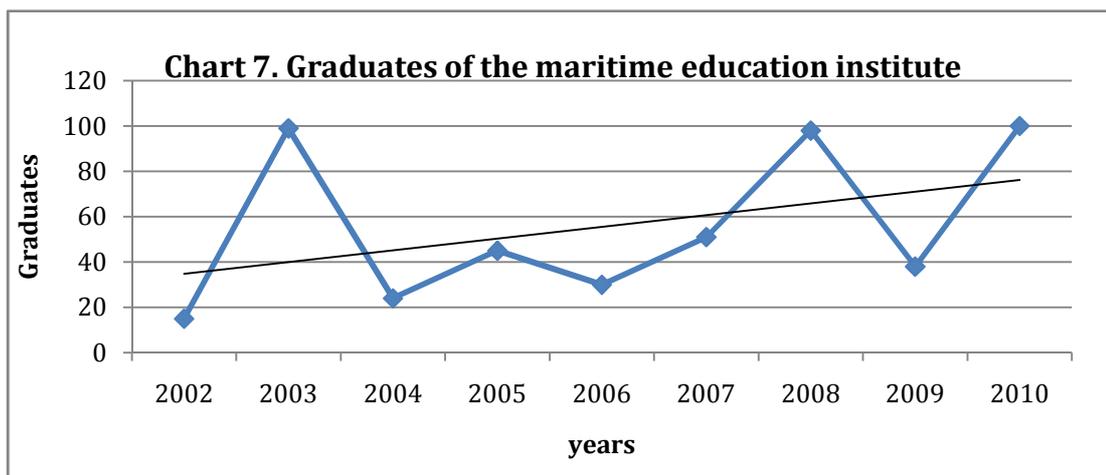
The question we raise here is: what is the targeted market for the Albanian seafarers? – Merchant vessels are the main sector where our students can be employed. In 2005 there were about 45 vessels flying Albanian flag and the number of seafarers serving on these vessels was 315. Today we can count only 9 Albanian vessels with an overall personnel of 64 seafarers, but at the same time there are 25 other Albanian owned vessels flying different flags employing around 250 seafarers.



Another sector where we have seafarers being employed are the licensed companies offering port services such as tug boat companies, pilots, garbage companies, water supply etc. today there are around 200 seafarers serving on board these ships.

Maritime ports are another destination for our students. We have 6 commercial ports in Albania and there are around 112 employees with maritime background. Maritime agencies are another sector closely linked with maritime education. Qualified personnel with maritime background are preferred from this sector. There are more than 50 maritime and forwarding agencies carrying out their activity in Durres city and more than 75 individuals with maritime education is working in the sector.

Fishing sector is another sector where sector with significant in-country employment possibilities for Albanian seafarers. In 2005 here were 110 registered fishing vessels and today they count 260. There are almost 1000 fishermen working in the sector and among them a certain number of deck and engine officers who require maritime education.



These sectors and other such as maritime administration, shipbuilding or repairing shipyards are potential opportunities of employment of trained personnel. Therefore it is the obligation of the training and education institutions offering maritime education to increase the quality of education and training in order to provide their graduates with required knowledge of the maritime sector.

International market remains one of the main attractions of the Albanian seafarers. With a very modest merchant fleet Albanian market offers a very weak demand for seafarers, therefore, the main objective remains the international market. Shipping industry is looking for skilled crews and maritime education and training offers should respond to the needs of the market. International practices have demonstrated that countries that encourage development of the marine training facilities such as Philippines and India are the leading providers of the seafarers industry. These countries have established colleges for training deck, engine, and technical colleges for the lower crew. Marine technology is rapidly changing and this remains one of the concerns of the training institutions in order to keep up with the latest developments. Cooperation with the shipping industry is another challenge. This creates a real life situation to the novice seafarers and makes them more knowledgeable with the industry. Modern vessels have insufficient space available to accommodate cadets onboard therefore training institutions are using simulators and other supporting technologies to overcome this issue. This requires lots of investments and cannot be done by education and training institutions but requires the intervention and support of the government and the industry.

4. Conclusions.

Albania is a small country with a very modest merchant fleet. The number of the seafarers working in the shipping industry is increasing and the employment pattern is changing. During the previous regime before 1990' all seafarers were working onboard vessels flying Albanian flag. Nowadays this situation has changed and the number of seafarers working onboard Albanian vessels is less compared to those working onboard foreign flag vessels.

The number of seafarers from Balkan countries is increasing. Therefore there are more possibilities for Albanian seafarers to become part of the international crewing market. For this purpose the Albanian maritime education system must fully comply with the international maritime training and education requirements.

Albanian seafarers have become part of the international market and this appeals for a better and standardized maritime education system. Adoption of the curricula's according to the international standards and requirements is one priority and challenge for the Albanian maritime education sector. At the same time improvement of the teaching infrastructure and methods, new technology implementation, as well as the integration of the theory with on board practices will make Albanian maritime graduates more required from the industry.

Albanian government should establish and implement more supportive policies in order to enhance and strengthen the maritime education through dedicated programs and budgets, in order to securing skilled seafarers, thus creating more employment opportunities for the young generation.

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