

Strengthening Philippine maritime labor : towards a research agenda

By Maragtas S.V. Amante, University of the Philippines¹

Basic facts:

- The Philippines has been the world's chief supplier of sailors since 1987. Some 375,000 Filipinos comprise one-fourth of the estimated 1.5 million merchant mariners worldwide. This trend is expected to continue in the next 10 years.
- Filipino seafarers sent a record \$4.340 billion remittances in 2011, an increase of \$534 million or 14 percent from the 2010 figure.

1. Maritime education & training

- Shifting incentives: from training of ratings to quality training for ship officers, engineers and IT specialists.
- From various news reports & commentaries (Lloyd's List)², the global maritime industry was greatly relieved that Philippines will continue its programme to review and close sub-standard maritime academies. Headline news: the Philippines will shut down several more maritime schools in its effort to avert a blanket ban by the European Commission on new graduates' certificates.
- The European Commission warned last year that it could withdraw recognition of Filipino Standards of Certification and Watchkeeping certificates if academies failed to improve their training standards. The warning followed a report from the European Maritime Safety Agency that is understood to have criticized some schools.
- As the rules stand, the commission has only the sledgehammer option of refusing to recognize all new seafarers from the largest labor-supply country. It cannot single out training establishments case by case.
- Action program needed on the proliferation of fake diplomas, IDs, and training certificates: both visible in Recto / Avenida, and the invisible underground producers.

2. IT technology & capacity building for the MET curriculum

(Source: Prof. Helen Sampson, Seafarers' International Research Centre (SIRC), Cardiff University)

Advantages

- Advances in mobile phone technology are allowing seafarers to circumvent ship communication systems and SMS (text message), or call relatives and friends from aboard any time they are

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² The closure of substandard maritime education and training schools became the subject of a series of headlines in Lloyd's List from January to February 2012.

within range of a mobile network signal.

- On board ships, automatic radar plotting aid (ARPA/RADAR), and subsequently the electronic chart display and information system (ECDIS) have offered watchkeepers more sophisticated means of identifying and tracking navigational hazards and planning safe passages.
- While on the lower decks, technology in support of “unmanned engine rooms” is releasing engineers from 24-hour working.

Disadvantages

- Containerization has been one of the major innovations in cargo transportation in the past 100 years. Widely heralded as of great benefit in speeding up the process of shipment, containerization has also resulted in the faster turnaround of vessels and the development of major new ports away from city centre locations. Both of these often serve as barriers to seafarers enjoying short periods of necessary shore leave.
- Improvements in communications technologies have made vessel captains less autonomous, and seafarers may feel de-skilled as a consequence of developments such as shore-side computer-based cargo planning (including stress calculations).
- For many seafarers the job at sea has changed beyond recognition as a consequence of innovation and not all are happy about such transformations, feeling that the job now involves less skill or “seamanship”.
- Seafarers on short term contracts involved in remote residential working may not have the proper training needed. Seafarers are required to use equipment and that they are rarely involved in the identification of their own training needs.
- Officers were required to meet part or all of their own training costs, and over a quarter of them stated that they were never compensated for lost leave time when training.

3. Crewing, hiring and recruitment

Most common issues

- Age limits as a form of employment discrimination.
- Watchlisting (or blacklisting) of seafarers;
- Increased costs for identity documents of seafarers, i.e. visa requirements in US ports.
- Contract substitution by employers.
- Non-compliance of seafarer contracts by unscrupulous employers.
- Reduction in compensation; delayed or non-payment of salaries.
- Exorbitant interest rates for overseas employment placement.
- Onerous requirements for medical examinations and certifications.
- Inadequate food and accommodation aboard.
- Lack of awareness of grievance procedures aboard ships.
- Limits on postponement of cases for illegal dismissals and claims.
- Irrelevant training outside of STCW / IMO requirements.
- Medical and educational assistance for seafarers’ families and dependents.
- Need for a labor market information center for seafarers.
- Action on ambulance chasers who victimize seafarers and their families pursuing claims for accidents, injuries or death.

- Need for more expertise for the mediation, conciliation and voluntary arbitration of disputes involving seafarers and their employers.

4. Welfare: health & safety, decent work -- ratification of ILO seafarer conventions

Seafarer fatigue:

- Seafarer fatigue has been named as a causal factor in numerous casualties, including the *Exxon Valdez* oil spill in Alaska in 1989 and the grounding of bulk carrier *ShenNeng1* on the Great Barrier Reef in April 2010
- 45% of watchkeepers doze off at least briefly while on watch during a normal working week.
- The longer the time you are on watch, and the longer the time you are doing those watches, the more tired you become.
- Seafarers can still be asked to work 91 hours in any seven-day period, and even 98 hours in exceptional circumstances.
- Current working patterns on board ships can no longer be justified and are not acceptable on safety grounds.
- Needed: the development of fatigue reduction software, which will help seafarers to plan work schedules and disturbances to the normal watch keeping patterns in a way that will mitigate the risk of fatigue.

Ratification of the ILO's Maritime Labor Convention (MLC) – impact on global crewing for Filipino seafarers, domestic shipping, fishing vessels

- The MLC aims to secure economic interests in fair competition for quality ship owners. The MLC provides international standards to protect the seafarers' rights and welfare, including recruitment, compensation, medical examinations and health benefits, among others. The new labor standard consolidates and updates more than 68 international labor standards related to the maritime sector adopted over the last 80 years.
- MLC needs to be ratified by 30 countries before it can take effect.
- After the Philippine Senate has concurred with the ratification, the Philippines will be the 27th country to do so.³
- DOLE now doing an assessment with the ILO on how the MLC provisions can be implemented using the country's Labor Code. Examples: the Philippine Labor Code provides for different types of leaves that workers enjoyed under the Labor Code, which can be treated as a substantial equivalent to what the convention requires.

³ According to the ILO (www.ilo.org, accessed 15 April 2012), the MLC was already ratified by: Liberia, Marshall Islands, Bahamas, Panama, Norway, Bosnia and Herzegovina, Spain, Croatia, Bulgaria, Canada, Saint Vincent and the Grenadines, Switzerland, Gabon, Benin, Singapore, Denmark, Latvia, Antigua and Barbuda, the Government of Luxembourg, Kiribati, the Netherlands, Australia, Saint Kitts and Nevis, Tuvalu, Togo, and Poland.

- For domestic ships, the DOLE will issue distinct regulations on the terms and conditions of employment, pay, and the enforcement of labor standards,” she said.
- DOLE position: the Philippines need not come up with any legislation to comply with MLC because the Labor Code and DOLE department orders governing the labor standards in the domestic maritime industry will be enough.
- Capacity building to train shipping & crewing managers, owners and officers – it will cost less to invest in adequate labor standards on board, rather than to pay for maritime / ship accidents, loss of life, and losses due to incompetence.

Key provisions in the ILO MLC

- ✧ An employment agreement, guaranteeing decent on-board working and living conditions, to be signed by the seafarer and the ship-owner, or a representative of the ship-owner.
- ✧ Monthly pay, in full and in accordance with the employment agreement and any applicable collective agreement.
- ✧ A 14-hour work limit in any 24-hour period; 72 hours in any seven-day period.
- ✧ Repatriation in case of illness, injury, shipwreck, insolvency, sale of ship and so on.
- ✧ Specific requirements for living accommodation and recreational facilities – including minimum room sizes, and satisfactory heating, ventilation, sanitary facilities, lighting and hospital accommodation.
- ✧ Access to prompt medical care when on board and in port.

Maritime piracy

- Despite the risks, many Filipinos are still looking for seafarer jobs in foreign vessels plying the areas prone to maritime piracy in the Gulf of Aden, Horn of Africa, Indian Ocean, Malacca Strait, and other areas. Thus, maritime piracy victims will still be a significant phenomenon in the future.
- Need for a coordinated response between the maritime shipping industry, crewing companies, government welfare agencies, and voluntary seafarer welfare organizations.
- Provisions for both short and long term response, with clear funded programs, responsible institutions and specialists for victims of maritime piracy and their families.
- Compensation of Filipino seafarers victimized by pirates: impact of the POEA Memorandum Circular that requires all ship owners through their manning agencies to submit a "safety or anti-piracy plan" before recruiting and deploying seafarers.
- Capacity to conduct anti-piracy sea training among seafarers before deployment. If a vessel will sail outside the safety corridors, as prescribed by the international standards, they have to notify the POEA, especially outside the internationally-recognized transit corridors.
- POEA Resolution requires ship owners to pay the seafarers twice their regular compensation if they sail along Gulf of Aden.

5. Economic and development impact of seafarer remittances

- \$20 billion in remittances generated from land-based and sea-based Filipino workers abroad, \$4 billion come from seafarers. Direct effects on the consumer trading goods

- industry, including housing and real estate. Where do Philippine seafarers invest their money? What is the success or failure rate of these investments? How did the Philippine economy maximize the benefits-- through finance and investment mechanisms in the real economy?
6. Regulatory issues
 - Towards less, or more regulations? What areas of regulation need to be reduced? What areas of regulation need to be strengthened?
 7. Towards a Philippine maritime labor research program
 - Capacity development: training and engagement of maritime labor researchers
 - Institutional cooperation and development: consortium / network on Philippine maritime labor research
 - Funding and distribution.

Profile of MARAGTAS S. V. AMANTE

Dr. Maragtas S.V. Amante is a professor of industrial relations at the University of the Philippines in Diliman, Quezon City, and the current Vice President for Administration of the U.P. system. From 2009 to 2010, he was a professor at the College of Economics and Business, Hanyang University in Seoul/Ansan, South Korea. He was Dean of the U.P. School of Labor & Industrial Relations (SOLAIR) from 1998 to 2001. He has more than 25 years experience in teaching, research and consultancy work in the areas of industrial relations, economics of human resources, and compensation.

Amante graduated with a Bachelor of Arts degree from the University of the Philippines' School of Economics in 1983. After graduation, he was recruited into the staff of the University of the Philippines' School of Labor and Industrial Relations. In 1986, he was granted an Asia Foundation fellowship to pursue a master's degree in policy economics, which he finished in 1986, from the University of Illinois in Urbana Champaign in the United States. His interest in Japanese human resource development led him to pursue doctoral studies in Japan, where he obtained his Ph.D. degree in 1993, from Keio University in Tokyo. In 2002-03, he was a research fellow at the Seafarers' International Research Centre (SIRC) in Cardiff University, in Wales, UK. His research was about Philippine seafarers, in the context of the global maritime labor market. From 2002 to 2006, Dr Amante was a consultant and facilitator with the ASEAN Secretariat and the Japan Ministry of Health, Labor and Welfare. He was closely involved in a series of meetings and dialogues held in various ASEAN capitals, to develop a common regional framework of industrial relations in East Asia.