

By Pamela Glass, Washington Correspondent

The nagging maritime labor shortage is starting to grab the attention of Congress, which has mostly watched from the sidelines as the industry struggles to address a shortage that some say is reaching crisis proportions.

Lawmakers are currently assessing the scope and reasons behind the manning shortage and are considering what actions Washington can take to help ease the crunch.

"I'm not sure we're going to go with this, but there are some things that The federal government may do more to help ease the labor crunch.

Congress can do," Rep. Elijah Cummings, chair of the House Subcommittee on Coast Guard and Maritime Transportation, said after a hearing on maritime employment in October.

Although there is a large pool of highly trained licensed and unlicensed mariners, all sectors of the industry — towing, passenger, offshore, LNG — are reporting a shortage of mariners who are qualified or willing to work. Mariners are retiring or leaving the workforce at a rapid clip due in part to the increasing costs to upgrade or advance their qualifications.

The problem is not unique to the U.S. Similar labor shortages are hurting marine operators in Europe, Japan and Korea. According to some estimates, there is now an international shortage of 10,000 licensed officers, and this will increase as more ships enter the market.

"We are now seeing a perfect storm in which the demand for mariners, particularly those who are licensed, is increasing, while the supply may not be keeping pace," Sean Connaughton, administrator of the

U.S. Maritime Administration, told the hearing.

Reasons for the manning problems are many: an aging workforce in which the most experienced workers are facing retirement; construction of new, more sophisticated boats, especially in the LNG and offshore sectors, that will require thousands of new mariners over the next five years; uncertainty over new federal rules on medical fitness that could disqualify some mariners while discouraging others to seek onboard jobs; new standards under the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) that will impose costly and time-consuming training requirements on mariners; lower wages than shore jobs and longer periods away from home; and an unfriendly post-9/11 environment that has painted mariners as security risks.

Experts acknowledge that there is no silver bullet to solve the manning shortage. But they agree that finding workable solutions will only be possible if the industry works closely with the federal government.

For its part, the maritime industry is implementing new programs and policies — from improving working conditions on vessels to increasing wages and benefits — in order to attract new entry-level workers and replace experienced wheelhouse personnel that are retiring in increasing numbers. In addition, companies are working with maritime schools across the country to create training programs, and they are reaching far beyond coastal communities and family networks to find eligible workers.

Now Uncle Sam must also step up to the plate.

ELIMINATE OBSTACLES

"Companies have a responsibility to make our industry as attractive an employer as possible for current and prospective crewmembers. We need to take the lead in finding and keeping the people we need to run our businesses," Cathy Hammon, CEO of Inland Marine Service Inc., told the hearing. "But government also has an important role to play, first and foremost by eliminating government-imposed obstacles that

make the job of attracting and retaining qualified crewmembers more difficult." Hammon's Hebron, Ky.-based company provides turnkey management services for tugs, towboats, ferries and other vessels.

Added William Beacom, a mariner from Sioux City, Iowa: "I can't come up with even one convincing reason to join this industry, unless there are major changes in regulations, attitudes and practice."

Industry leaders offered the following suggestions:

 Loosen the Coast Guard's rigid interpretation of STCW standards on crewing qualifications and competency.
"STCW has proven to be a major hurdle for our mariners trying to manage their careers and for Offshore Marine Service Association members trying to find common sense ways to crew their vessels," said Carl Annessa, CEO of Hornbeck Offshore Services Inc. The Coast Guard, he said, has used a "big



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ship model" that doesn't realistically reflect what most seafarers actually do in their jobs, and it requires a duplication of training as mariners move up in their careers.

- Revamp the current Coast Guard mariner licensing system, where backlogs and delays have hurt mariner recruiting and retention. After numerous complaints, recent improvements to efficiency have reduced delays in processing credentials. But the system is still archaic, developed for another age and type of mariner and doesn't meet the needs of today's workforce, the industry says.
- Encourage the Coast Guard to finalize a recent notice of proposed rulemaking that provides a pathway for licensed mariners from other industry segments to move into the towing vessel officer licensing path without having to start from scratch.
- Establish an interim work authority provision to the Transportation Worker Identification Credential (TWIC) that would allow a new hire to work before obtaining a TWIC. An amendment to this effect has been included in the Coast Guard authorization bill that is now moving through Congress.
- Create a pilot program that would link vessel companies with economically depressed communities from which future mariners could be recruited. Marad could help promote maritime jobs in communities that are unfamiliar with the maritime trades. This program could include funding to help applicants fill out Coast

MARINERS' TALE OF THE TAPE

- The average age of a mariner with a Master's license is 51.
- . The average age of a chief engineer is 50.
- Nearly 30 percent of inland mariners will be eligible for retirement in the near future.
- The annual turnover rate for entry-level personnel in the towing industry is estimated at 50 percent or higher.
- 40 percent of licensed officers working in the offshore service vessel industry are over 50. Within the next five to 10 years, the OSV industry may need to replace four out of every 10 licensed deck officers.
- As U.S. waterborne commerce continues to grow, demand will continue for trained mariners. There are now about 160,000 water transportation and port service workers in the U.S. Since 2001, about 15,500 jobs have been added in these industries.
- Over the past five years, the number of LNG tankers calling at U.S. ports increased by 115 percent. Based on the current rate of LNG tanker construction, the incremental crewing needs for LNG vessels will require 9,000 more mariners.

Source: Maritime Administration, American Waterways Operators, Offshore Marine Service Association

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Guard and, eventually, TWIC applications and to cover drug and alcohol testing and medical exams.

 Use government resources through Marad to promote career opportunities in the brownwater industry as well as on oceangoing ships. Also encourage the U.S. Merchant Marine Academy to follow the lead of many state maritime schools and institute programs that train students for the brownwater industry.

 Adopt regulations that provide for adequate manning and ensure that mariners have a safe working environment that permits adequate rest. The downsizing of crews at many companies has placed more of a burden on mariners. Companies "are at a loss to understand why people quit because they don't get enough sleep," Beacom, the Iowa mariner, testified. "The result is they have fewer crew with less experience because of recruiting problems and huge turnover."

- Support regional training and recruitment programs such as the one developed by the Pacific Marine Towing Industry Partners in Washington state. Formed in 2005, this skills panel designed models to address training, recruitment and retention problems in the Pacific Northwest towing industry that could be used nationally. The goal is to reduce barriers to mariner career paths.
- · Create a Marad-administered federal loan program that would help unlicensed mariners pursue higher certification. A loan of up to \$15,000 a year would cover travel to and from training facilities, room and board and books, and would be forgiven if the mariner makes a long-term commitment to stay in the industry. It would be similar to federal loan forgiveness programs for teachers who must teach for five consecutive years to qualify for up to \$17,500 in loan forgiveness. Under new STCW standards, it takes about two years for an unlicensed mariner working in the towing industry to complete certifications for a third mate towing license, at a cost of \$16,000. "I know a mariner who mortgaged his home for \$30,000 so that he could get his towing license," said Berit Eriksson, former director of the Pacific Coast Maritime Consortium. "This is cause for grave concern when we consider that approximately 95 percent of the U.S. offshore fleet and coastwise towing sector come through the hawsepipe."

The federal government, through the Coast Guard and the Maritime Administration, is doing its best to respond to the manning shortage, officials said at the House hearing. But they are often hampered by lack of funding and personnel, and cumbersome requirements of a government bureaucracy.