Matters that concern Korean seafarers come under the responsibility of the Korean Maritime and Port Administration (KMPA) under which is the Korea Seamen's Registration Office. KMPA is the overall responsible body for looking after the country's seafarers. The Seamen and Vessels Bureau is directly in charge of the affairs of seafarers in the organisation while the Korea Association of Seafarers' Employment under KMPA created under the Seamen Act is concerned with the placement and recruitment of Korean seamen. The Government amended the Seamen's Act in 1984 to reflect much of the contents of related ILO Conventions in recognition of the importance of the maritime industry to the country. In view of the demands made by the Seamen's Union of Korea, the Seamen's Act was amended in 1987 (Lee Jong Soo, 1987). The Seafarers' Act is to be further amended by 1995.

The Korea Maritime University was formerly the Korea Merchant Marine Academy, established in 1945, and became a university in March 1992. The university produces some 700 officers each year. In addition, there are two seamen's high schools specialising in the training of ratings. The university is the premier maritime training institute of the country and has three independent colleges, the Colleges of Maritime Science, Sciences and Engineering, and Social Sciences, as well as the Faculty of Arts and Sciences and has developed a broad range of degree programmes from social sciences, shipping management, ship operation, naval architecture to marine engineering. The university also offers graduate programmes leading to masters and doctoral level studies as well as a number of research institutes. The Korean Maritime Training and Research Institute established to retrain seafarers has been able to train over 20,000 seafarers each year. It was reported at the beginning of the 1980s that a consolidated Seamen's Training Institute was to be established with Busan as a possible location. The Government enacted a Seamen's Labour Standard Law and constructed more welfare facilities, improved working conditions and enhanced social recognition of seafarers' standing to be implemented in stages.

7. RESPONSES TO THE SHORTAGE OF MARITIME PERSONNEL

The developed countries within the region have responded to the shortage of maritime personnel in various ways. In order to solve the problem of the shortage, the developed or relatively advanced countries have resorted to some or all of the following measures:

(a) Flagging out of a portion of its national fleet;

(b) Reduce crew complement through adopting improved technology, thereby automating the operation of the ships and reassigning shipboard duties to its members;

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(c) Training seafarers in multiple skills and hence the training of dual certificate seafarers;

(d) Hiring foreign crew by operating mixed-crew ships or increasingly fully foreign-crewed ships;

(e) Increasing effort in the training of seafarers;

(f) Relegating the task of ship operation to ship management companies or relying on manning agents to source foreign crew;

(g) Setting up second (international) shipping registries.

The following sections examine the responses of selected countries from the region in coping with the problem of shortage of seafarers. The question of training and the employment of ship management or crewing or manning agents will be taken up separately (see section 8).

7.1 Hiring foreign crew

For the more advanced economies, the practice of hiring foreign crew to man their shipping fleet has become an inevitable option to overcome the problem of insufficient trained national seafarers to man their ocean-going ships. In some cases, there is shortage of seafarers to man harbour craft, riverine and coastal vessels. It is important to ensure the suitability of foreign crew to meet the stringent national standards of navigation so that safety and pollution control are not compromised. Shipping companies are often willing to undertake expensive retraining of already certificated crew before they are put on board their vessels. Also, preference is generally given to freshly trained seafarers. In many cases, foreign officers are given positions below what their qualifications would entitle them to. But wage rates being higher, there is little reason for foreign seafarers to complain and the positions given are willingly accepted.

In the case of Japan, flagging out of their vessels and the introduction of the "Maru ships" allowed hiring foreign seafarers on Japanese registered vessels and opened up opportunities of employment for seafarers from foreign sources. Previously foreign seafarers were employed on Japanese-owned ships registered under foreign flags. As at September 1993, there was a total of 87 mixed manning ships.

The main group of foreign seafarers come from the Philippines. Information from another source shown in figure V shows the number of foreign seafarers on board Japanese-owned vessels. Koreans have been preferred by Japanese shipowners

34. "Maru" means 'circle' as in the red circle in the Japanese flag, or it may mean 'prince' or 'castle'.

35. The employment of these foreign seafarers were arranged by the All Japan Seamen's Union.
as many of them are able to speak the Japanese language. In recent years, however, there have been few Koreans employed on Japanese-owned vessels.

There are likely to be new sources of seafarers manning Japanese-owned vessels. Following a delegation from the JSU to Beijing, an agreement was reached with the Co-ordinating Council for Overseas Seamen’s Employment and the Chinese Seamen’s Union to employ up to 20,000 Chinese seamen. The recruitment process will be handled by the Tokyo-based International Mariners’ Management Association which represents 23 manning agencies. It was also noted that the JSU has the negotiating rights for Japanese controlled ships under foreign flag. The Union has already secured agreements covering crews from the Philippines and Viet Nam. It was also reported that Japan and Viet Nam will cooperate in training Vietnamese seafarers to enable them to work on Japanese ships and that a centre for training Vietnamese seafarers was being discussed with the consent of the Japan Seamen’s Union.

Two Japanese shipowners, NYK Line and K-Line, hire Filipino seafarers that have been trained by a joint Filipino-Japanese operated training centre in Manila. Similarly Mitsui O.S.K. also has a training centre operated jointly with a Dutch or German enterprise in Manila. For the latter, there are two centres, one for training of seafarers serving on oil tankers and the other for other ships. Other than Filipinos, seafarers of other nationalities have also been recruited as ratings without prior training. They are then given several months of training before being put to work on board ships. Japanese shipping companies employ foreign seafarers through manning agent who will screen the men before they are hired. There are also Japanese private recruitment companies such as the Japan Maritime Manning Agency that recruit Chinese ratings.

7.2 Flagging out

Flagging out of ships is also widely practised among Asian States, notably Japan, Hong Kong, Taiwan (China), Singapore, and even ships of China (see table 4 and accompanying figure). A significant proportion of ships on order are also to be registered under foreign flag (table 5). It would appear that apart from Japan and the more developed states in the region who flag out for reason of reducing crew costs, there are other factors involved in the decisions to flag out. The reason may include registering in a country with low income tax rates. Also hiring seafarers from the country of registry of the ships may be a way to avoid ITF action. Such a practice enables the countries concerned to employ cheaper foreign crews and has the effect of creating opportunities for Asian seafarers to be employed on foreign owned ships. Singapore and Hong Kong have adopted regulations allowing registration of ships that are foreign-owned but operated by companies registered locally. They also have no restriction on the employment of seafarers (local or foreign) employed on these ships. In both cases, there are no requirements for foreign ships’ officers to be registered. Registration of

ordinary seamen are however required and in any case copies of the Collective Bargaining Agreements (CBAs) have to be lodged with the competent authorities. Shipping companies employing them have merely to satisfy the governments concerned that these seafarers are properly certificated and occupy appropriate positions on board the ships. The Philippines allows vessels on bare-boat charter to be registered as national vessels which also generates more employment opportunities for the country’s seafarers while Singapore has amended its regulations to enable ships to have dual nationality.

7.3 Creating international shipping registers

There is evidence that the international shipping registers operated by the European States are not succeeding in protecting the jobs of their national seafarers. In the case of the Danish International Ship Register (DIS) established in 1988, it resulted in a large number of Danish-owned vessels moving across from the national register. Danish companies with ships under the DIS have been hiring cheaper Asian officers at the expense of their junior officers. Between 1988 and 1992, the number of Danish seafarers employed on Danish ships under both registers increased from 7,100 to 10,800 while the number of non-nationals grew from 900 to 2,000. A reversal has since taken place. The number of Danes employed has fallen to 9,700 by March 1995. The report also cited the decision of one Danish company to lay off 50 junior officers and to cease recruitment of cadets. One other shipping company has decided to lay off 100 Danish officers. Thus despite the flexibility of hiring non-Danish seafarers outside of Danish union collective agreements and tax allowances to reduce the cost of hiring Danish crew allowed under the DIS, Danish owned ships have been driven by high crew costs out of it to flag out to foreign ship registers. It appears that Germany and Norway are also experiencing similar situations.1

As mentioned earlier, Japan has revealed plans to follow the example of a number of European States in operating an international ship register to be established in 1996 fiscal year with the aim to arrest the decline of its national flag fleet. The scheme requires only that the master and chief engineer to be Japanese nationals. Seafarers would be exempted from income and residential taxes. Funds would be provided for distribution for shipping companies for training purposes. The scheme would enable a total of 225 vessels to be brought under the new register. This would support employment for 450 senior officers and 225 reserves as well as 270 trainees and 135 reserves. In addition, the proposed scheme requests Y190 million for promotion of employment of Japanese seafarers.38 In view of the experience of the Danes, there is no guarantee that the Japanese proposed scheme will succeed in keeping Japanese-owned ships under its national shipping register or to halt the continuing loss of Japanese seafarers. Albeit, the traditional close co-operation among government, shipping companies and the seafarer’s unions suggests that the scheme has a better chance to keep alive the Japanese seafaring industry.

7.4 Engaging crewing agencies or ship management companies

Countries including China, Bangladesh, India, Indonesia, Myanmar, that are providers of maritime seafarers for foreign shipowners do not allow foreign shipowners to hire seafarers directly. They are obliged to engage local crewing agencies or shipmanagement companies to employ local seafarers. Recruiting seafarers for foreign shipowners are in the case of Bangladesh and Myanmar handled directly by government agencies. However, there has been some relaxation of the rules by allowing operation of private crewing agencies. The reverse has occurred in the case of Indonesia when a government agency has been established in 1994 ostensibly to assist private enterprise in the business of hiring seafarers for foreign employment but will have the effect of competing with existing crewing agents.

The manning business can be lucrative since fees are charged to employers while only a token processing fee is levied on seafarers being recruited. The relationship between manning/crewing agents and shipmanagement companies with their principals are generally very close. The experience and knowledge gained from working with foreign principals are valuable and serve to forming other local crewing or shipmanagement companies. In turn more national seafarers are given opportunities to work on shipping-related shore-jobs. The transfer of knowledge in management of ships is also valuable for local ship’s officers employed in these companies. Several major centres for crew recruitment have been emerged in major maritime labour supply countries. In India, the main port cities of Bombay and to a less extent also Calcutta, and the Philippines it is Manila that have become major centres for crewing and shipmanagement. Hong Kong and Singapore which are major shipowning economies with open policies on the registration of ships and hiring of non-national crews have also become major shipmanagement centres. This is also happening in Kuala Lumpur with the active support of the Malaysian Government. In this regard, there are similar opportunities in all of the major port cities in the Asian region provided government support and other appropriate measures such as more liberal regulations are taken to encourage their development into crewing and shipmanagement centres.

8. TRAINING AND EDUCATION OF SEAFARERS

For countries in the Asia-Pacific region, the challenge is to ensure a sufficient number of properly trained seafarers to man the national fleet and, for supplying countries, to produce more well-trained seafarers for deployment on foreign-owned ships. Among the countries within the Asia-Pacific region, there are wide disparities in the income levels and literacy rates (table 1). Moreover, there are major differences of the size of the shipping industry, maritime training traditions (and basic educational systems in which they are embedded), and the degree of support by the national governments concerned. The more advanced countries have well-established institutions with good to excellent training facilities and experienced

40. The great variation among member countries of the Association of Southeast Asian Nations (ASEAN) was noted by China (1989a).