

**THE MARITIME MANPOWER SECTOR IN THE PHILIPPINES
A SITUATIONER REPORT
2001-2002**

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I. INTRODUCTION

The Maritime Manpower Sector is one of the four major sectors of the Philippine maritime industry. The Maritime Industry Authority's (MARINA) mandate over the sector to develop and maintain a reservoir of adequately trained, competent and qualified maritime manpower internationally competitive and at par with globally recognized practices and standards to amply provide current and future requirements of the country and of the world.

The Philippines today plays a very significant in international shipping as the principal supplier of seafarers. The country's seafaring industry has succeeded in the gainful employment of thousands of Filipino marine officers and ratings in foreign-going vessels including ship service providers on passenger luxury cruise ships such as those in the hotel/restaurant department on board entertainers, etc. Their dollar remittances and upon arrival their propensity for consumption could pump priming to economy. One of five (5) seafarers on ocean-going vessels is a Filipino. While our overseas seafarers remain the main contributor of the country's biggest dollar earners, there is a relative decline in their dollar remittances. In 1992, there was a reported amount of US\$445.02 million total remittance dropping to US\$394.25 million in 1994 and only US\$210.05 million in 1995. However, in 1996 and 1997, their remittance improved slightly with a reported total remittance of US\$254.24 million and US\$257.61 million, respectively. In 2002, according to Bangko Sentral ng Pilipinas report, Filipino seafarers on board ocean-going commercial vessels abroad remitted US\$283.7 million during the first five (5) months of CY 2002, 29% higher than that of 2001 (US\$218.9 million). This is somewhat puzzling, illogical and hard to explain and accept that while remittances have been decreasing, the number of deployed seafarers onboard ocean-going vessels increased from 204,951 in 2001 and 209,593 in 2002.

II. SECTOR PROFILE

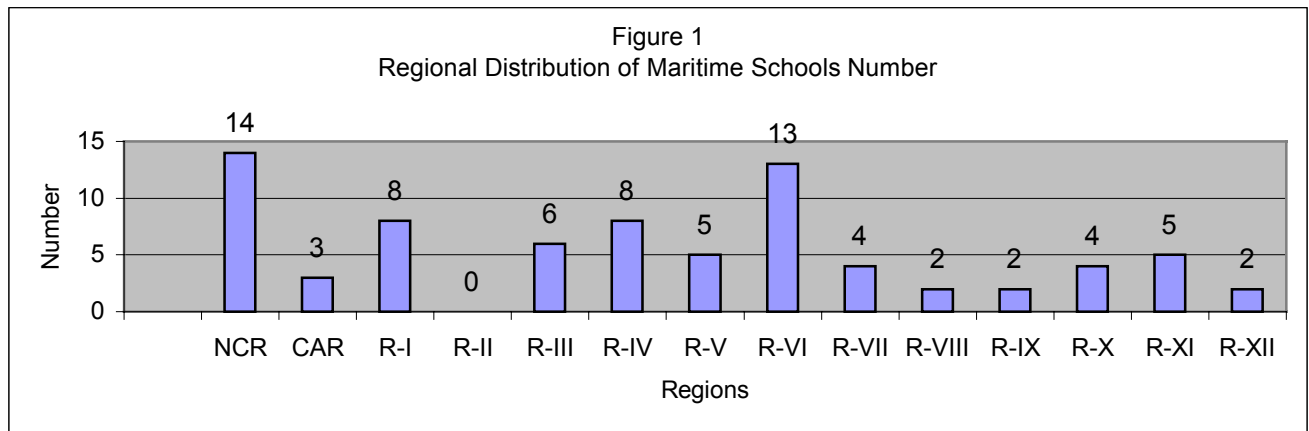
A. Seafaring Sub-Sector

A.1 Education and Training

The Philippines began to institutionalize its formal maritime education in 1820 with the creation of the Philippine Merchant Marine Academy (PMMA) then called Escuela Nautica de Manila, a government maritime

school. However, the proliferation of various maritime schools offering different maritime courses was noted during the early and mid-70's when the demand for overseas seafarers rose dramatically.

As of June 2002, there were 76 maritime schools/institutions widely distributed nationwide offering BSMT and BSMarE which have fully complied with STCW '95 requirements. (Figure 1.) and as such offer these courses after IMO Models, hence are accredited to administer/conduct them by Commission on Higher Education (CHED).



Source: CHED

In 1998, there were 118 maritime schools nationwide offering various courses ranging from baccalaureate degrees to short-term related courses as shown in Table 1.

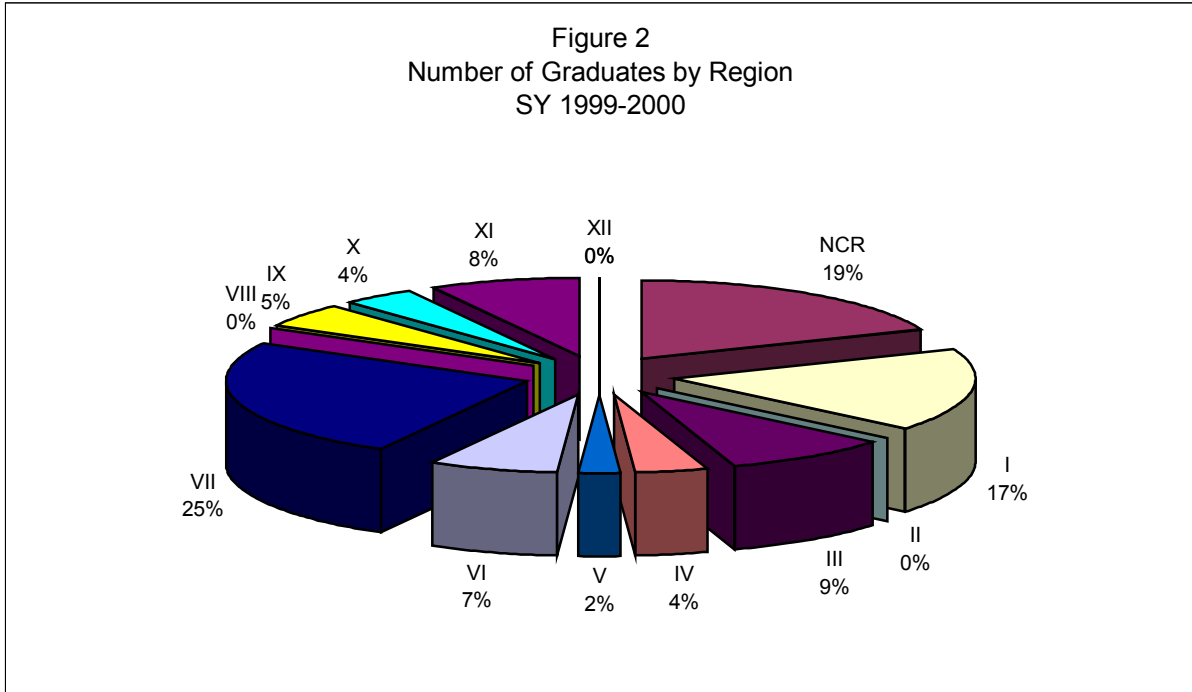
MARINA as member of the Technical Panel for Maritime Education (TPME) an inter-agency committee headed by the Commission on Higher Education (CHED) participated in the curriculum development of maritime schools.

Table 1 below shows the comparative statistics on graduates by region totaling 36,592 graduates in SY 1995-1996 and 20,073 graduates in SY 1996-1997. A significant reduction of about 45% in the number of graduates will be observed.

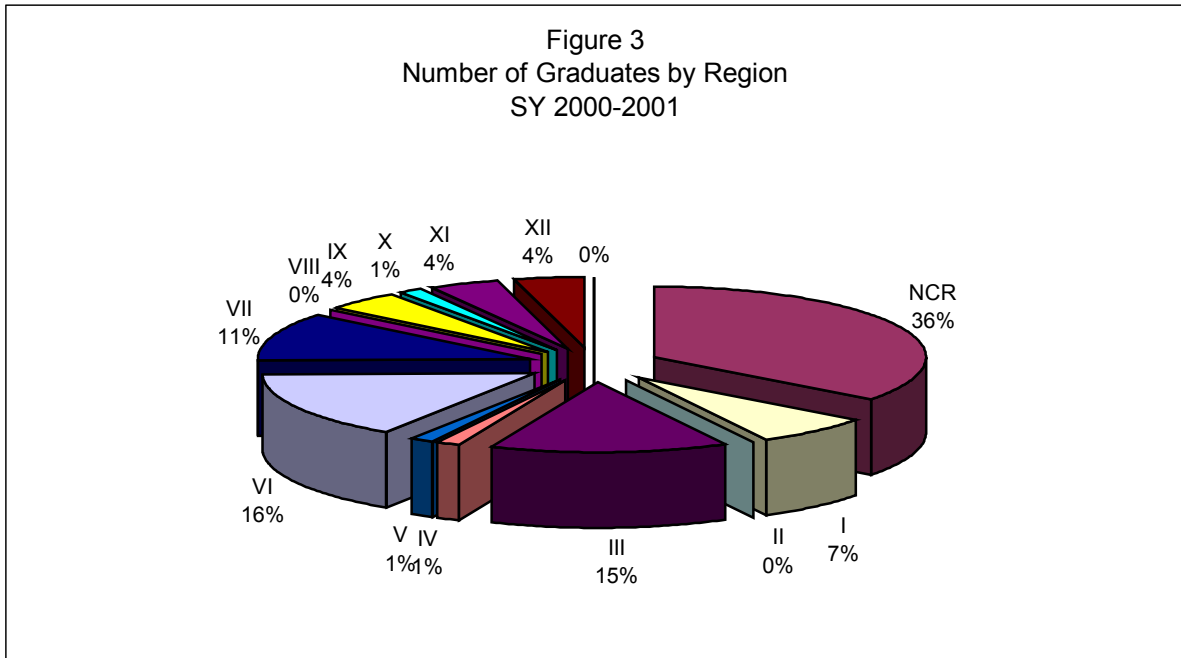
Table 1
Number of Graduates by Region

Region	Graduates	
	SY 1995-1996	SY 1996-1997
NCR	22,354	4,966
I	2,650	3,068
II	-	-
III	340	340
IV	276	276
V	-	-
VI	-	-
VII	4,268	4,268
VIII	-	-
IX	424	424
X	3,042	3,042
XI	3,236	3,236
XII	453	453
Total	36,592	20,073

- For School Years 1999-2000 and 2000-2001, there were about 4,956 and 4,627 graduates, respectively, of various maritime-related courses in the country.



Source: CHED



Source: CHED

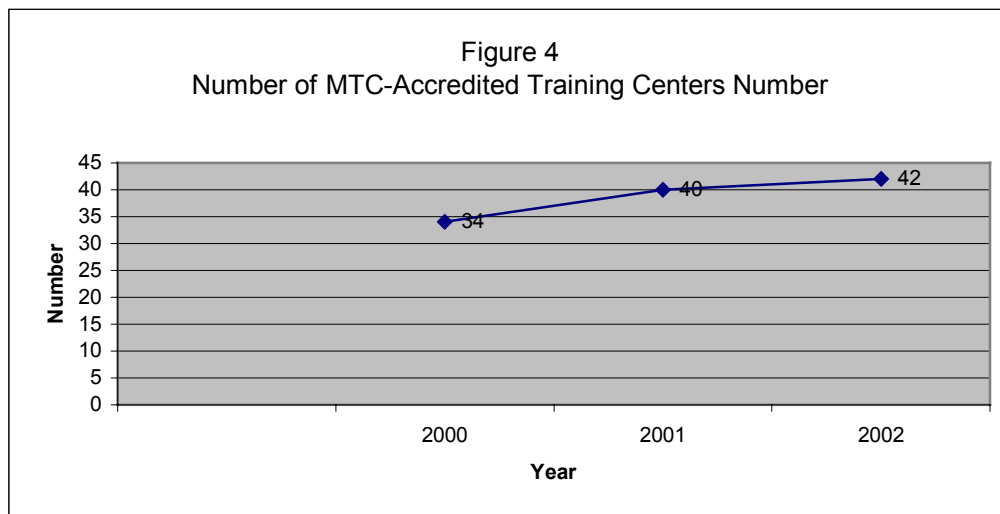
Meanwhile, as of 2002, there were 42 maritime training centers throughout the country accredited by the Maritime Training Council. The number increased by 4.8% compared with 2001 as reflected in Figure 2.

Table 2
MTC Accredited Training Centers
By Region, 2000-2002

Region	2000	2001	2002
NCR	19	25	26
I	2	2	2
II	-	-	-
III	2	2	2
IV	-	1	1
V	2	2	2
VI	4	3	4
VII	3	3	3
VIII	-	-	-
IX	-	-	-
X	1	1	1
XI	1	1	1
XII	-	-	-
Total	34	40	42

Source: MTC

To ensure that the country's maritime training centers consistently conform with the prescribed standards on instructional materials/syllabi, facility competence and required equipment, MARINA through the Maritime Training Council (MTC) participated in the periodic inspections of these training centers. As of end of 2002, there are 42 MTC-accredited maritime training centers offering basic safety training and other upgrading courses. These training centers, facilities and schools are annually inspected, in addition to periodic inspections. Furthermore, the MTC accreditation valid for five (5) years, renewable for every five (5) years (assuming they pass all inter-agency inspections and assessment).



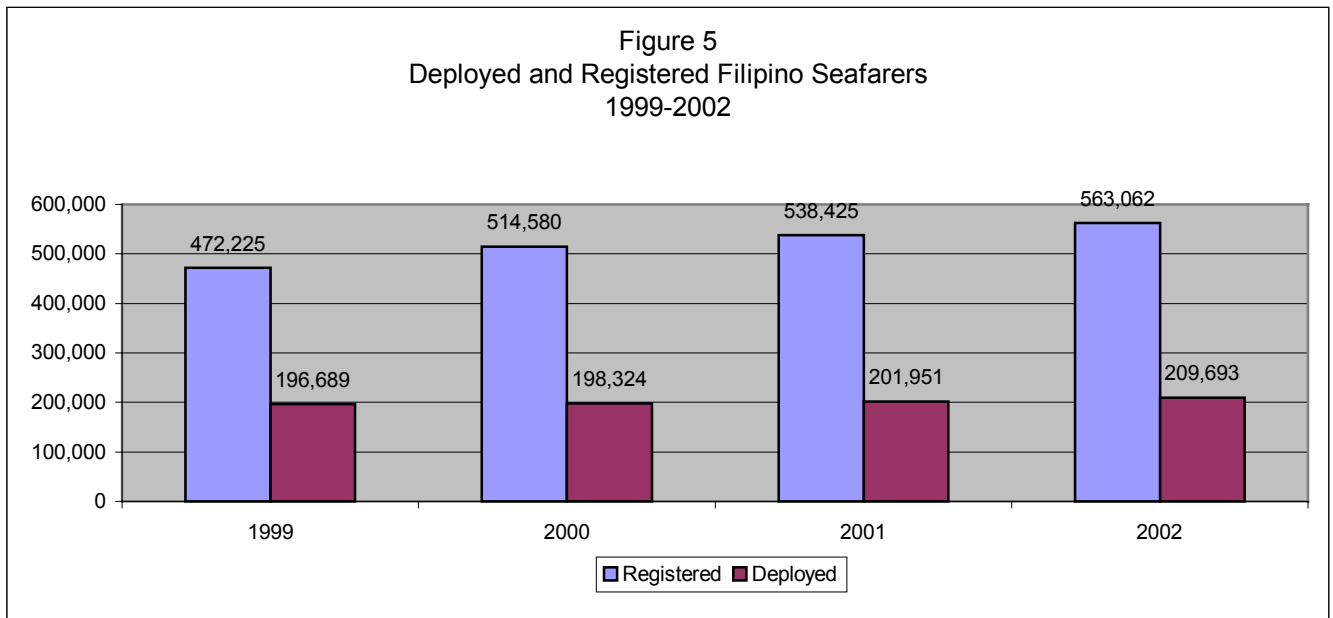
Source: MTC

A.2 Employment

Filipino seafarers are first among equals and hence, the first preference and choice by foreign principals. The increasing demand for our seafarers in the overseas trade over the years is presented in Table 3. Deployment of Filipino seafarers significantly increased to 209,593 in 2002 as compared to the previous year's figure of 201,961.

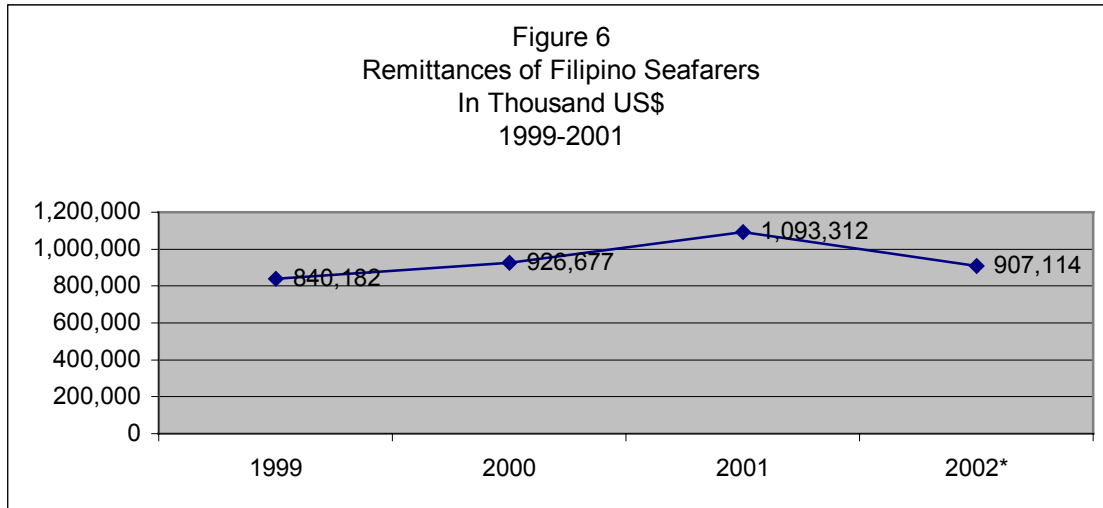
- Deployment of Filipino seafarers slightly increased to 209,693 in 2002 as compared to the previous year's figure of 201,951 – a marginal 3.34% increase.

Figure 5
Deployed and Registered Filipino Seafarers
1999-2002



Source: POEA

- Foreign exchange earnings of our overseas seafarers contribute significantly in supporting the country's national economy. Figure 6 presents the generated foreign exchange for the period 1999 to 2002.



* As of September 2002

Source: POEA

B. Shipyard Sub-Sector

The shipyard manpower resources registered a total workforce of 33,341 as of end 1995. As reflected in Table 3, an increase of 151% was observed from a 13,285 workforce in 1993 to 33,341 in 1995.

Table 3
Number of Employed Shipyard Manpower Nationwide
1993 – 1995

Type of Personnel	1993	1994	1995
Managerial	294	404	910
Administrative	494	927	2,990
Technical	1,404	1,319	3,396
Skilled Workers	10,452	9,722	25,189
Semi-Skilled Workers	644	693	2,439
TOTAL	13,285	13,065	33,341

- In 2001, the shipyard manpower sector recorded a total workforce of 43,627 or a corresponding 10.52% increase compared with the 2000 figure. A substantial number of 35,366 or 81% of the total workforce belongs to the skilled workers category.

Table 4
Number of Employed Shipyard Manpower
By Category, 1999-2001

Category	1999	2000	2001

Managerial	580	592	610
Administrative	2,350	2,397	3,432
Technical	2,127	2,169	2,130
Skilled Workers	31,707	32,341	35,366
Semi-skilled Workers	3,933	1,972	2,089
TOTAL	38,697	39,471	43,627

Source: MARINA-MISO

III. SECTOR PERFORMANCE and DEVELOPMENT

With MARINA's assumption of additional function in November 1994 as mandated under EO 125/125-A, specifically concerning the issuance of Seafarers' Identification and Record Book (SIRB), the Authority has issued a total of 417,064 SIRBs covering the year 2000-2002. Details shown in Table 5.

Table 5
Number of SIRBs Issued
2000-2002

Year	Number
2000	164,101
2001	123,240
2002	129,723
Total	417,064

Memorandum Circular 164 requires domestic seafarers employed or to be employed on vessels of at least 100 GT or of 200 KW to secure Qualification Document Certificate (QDC). This replaces the STCW Endorsement of Certificates for overseas seafarers. MDO has issued a total of 4,649 QDC to domestic seafarers as of December 2002. (Jan. – Feb. 2003 = _____)

DOTC Order 2001-49 dated 13 June 2001 enflashed by MARINA Memorandum Circular 174 requires the recurrency training for officers, ratings, crew and other personnel serving domestic vessels. In line with this issuances MARINA formulated and developed training programs on Collision Regulation (COLREG) and Safe Navigation (SAFENAV) and Watchkeeping. All these courses were validated by and pilot tested MARINA's constituents in domestic shipping.

Memorandum Circular 170 which prescribed the rules in the examination and issuance of license to Major Patron, Minor Patron, Boat Captain and Marine Diesel Mechanic.

Table 5
MAP/MIP/BC/MDM Licensure Examination
July 2002 to February 2003

Date	Number of											
	Examinees				Passers				Licenses Issued			
	MAP	MIP	BC	MDM	MAP	MIP	BC	MDM	MAP	MIP	BC	MDM
2002												
July	6	0	7	10	2	0	7	10				
August	9	1	19	18	5	0	12	17				
September	31	7	31	33	3	0	15	33				
October	46	8	236	142	22	5	163	113				
November	72	1	109	118	51	1	219	210				
December	21	0	16	16	30	4	123	110	21	0	16	16
2003												
January	32	0	149	147	19	0	136	140	89	3	1665	150
February	97	0	173	109	In process		156	92	32	0	97	81

Last November 13, 2002, MARINA issued Flag Administration Advisory No. 30 requiring Crowd and Crisis Management and Behavior Training for the manning complement and for other ship personnel on-board steel-hulled domestic Ro-Ro Passenger ships, pure passenger, cargo-passenger carriers of at least 200 GT, including high speed crafts irrespective of gross tonnage (GT). Training on watchkeeping for deck and engine ratings was likewise made mandatory. The deadline for compliance with these training will be on 30 June 2003, non-extendible.

Pursuant to Memorandum Circular 174 prescribing the rules and regulations in the accreditation of maritime training centers, facilities and schools to conduct recurrency training program on COLREG/SAFENAV and Flag Administration Advisory No. 30 dated 13 November 2003 requiring Crowd/Crisis Management and Behavior Training for personnel passenger vessels, the MARINA has accredited a total of fourteen (14) training centers nationwide.

Table 7
Number of Accredited Training Centers

Place	Number
Manila	8
Cebu	3
Davao	2

Bacolod	1
Cagayan De Oro	1

The Seamen’s Employment Center of Japan or (SECOJ) formerly Maritime International Cooperation Center of Japan (MICC) which provides apprenticeship training to Filipino marine cadets on board Japanese merchant vessels to enable them to earn their degrees and to qualify them for the licensure examination being administered by the Professional Regulation Commission (PRC) for operational level (3rd/2nd Mate and 4th/3rd Engr.) is now on its 14th year of implementation. As to date a total number of 668 recipients from 1990 to 2002 has benefited from this project.

Through the concerted effort of the various concerned government agencies such as MARINA, CHED, PRC, TESDA, MTC, NATELCOM, PCG and the DOH, the Philippines has complied with all the requirements of the 1978 STCW convention, as amended and is now included in the IMO White List.

IV. OBJECTIVES/THRUSTS OF THE MARINA

The present thrusts of MARINA specifically in the manpower sector are:

1. Upgrading the skills and competency of domestic seafarers thru the MARINA Recurrency Training Program (every three (3) years).
2. Examination and issuance of license to Harbor Pilots
3. Examination and issuance of license to Major Patron, Minor Patron, Boat Captain and Marine Diesel Mechanic (including on-site conduct of examinations).
4. Accreditation of maritime training centers in the conduct of recurrency training programs for officers, ratings, crew and other personnel engaged in the domestic trade (inspection and periodic re-inspection decentralized recently to respective MROs).

V. PROBLEMS/ISSUES CONFRONTING THE SECTOR

The Philippines has the highest number of deployed seafarers averaging 3 out of 10 in all ocean-going vessels and this appears to grow bigger yet. The Norwegian flagged and controlled vessels, for one, employ the largest number of Filipino seafarers onboard. Of the reported 193,300 deployed overseas seafarers, approximately 25,000 are serving onboard vessels registered in the Norwegian International Ship Register (NIS) and

Norwegian controlled vessels. To maintain this premier position of the Philippines as a major supplier of seafarers. The country has to address the following concerns and issues.

a. Emerging competition from other Asian and east European Countries

The country aims not only to maintain its position as premier supplier of sea-based labor accounting for 16% - but would must strive to capture more than 16% of the market. The competence of our seafarers will be further enhanced by keeping them abreast with technological innovations and advances.

The Philippines must ensure that the comparative edge of the Filipino seafarers in terms of competence, reliability, and cost-attractiveness is assured on the long-term and stay undiminished.

VI. PROSPECTS OF THE INDUSTRY

- a. Continuing accreditation of maritime training centers in the conduct of recurrency training programs for officers, ratings, crew and other ship personnel serving on board domestic vessels and periodic/annual inspection of such entities and organizations for monitoring purposes and for re-accreditation every three (3) years.
- b. Formulation and development of training programs for domestic seafarers:
- Prevention of Drugs and Alcohol in the Domestic Sector/Awareness and Prevention of HIV/AIDS (PADAMS cum HIV/AIDS)
 - Engine Watchkeeping for Engine Officers
 - Ship Cargo Handling and Stability for Domestic Vessels
- c. Implementation of MARINA-NMD Apprenticeship Training Scheme on board domestic vessel. Last November 2002, written and verbal tests were completed and the results were transmitted to NMD – Oslo, Norway. The list of twenty (20) passers, with two (2) alternates/substitutes each for deck and engine departments were sent early March. Last Friday, 07 March 2003, the would-be cadets/trainees underwent physical, medical and psychological tests in a DOH accredited medical clinic in Manila. The fees will be paid from NMD fund balance. The cadet/beneficiaries finally selected/chosen are expected to board the training ship in early/middle April 2003 up to early/middle April 2004 to complete in full the 12-month ship board training. After this, the beneficiaries based on merit mat earn their

baccalaureate degree (BSMT/BSMarE) and qualify for the PRC licensure examination, operational level (deck/engine officers).