Dock labour arrangements in European ports: the quest for flexibility and efficiency

Theo Notteboom

Foreign expert/professor, Dalian Maritime University, China
Professor, ITMMA - University of Antwerp, Belgium
Emeritus President, International Association of Maritime Economists (IAME)

Busan International Port Conference (BIPC 2014)
Busan, Korea, 14 November 2014
Evolution of port labour
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Framework for the organisation of port labour

Market requirements
- Shipping lines
- Terminal operators
- Logistics companies
- Shippers

Direct costs port labour
- Cost per hour/per ton handled
- Overhead costs pool

Indirect costs port labour
- ‘Hidden costs’ with impact on competitive position port, such as:
  - Traffic loss due to shortages gangs
  - Strikes
  - Absenteeism
  - Etc..

Performance port labour
- Labour productivity (also function of innovation in cargo handling and logistics)
- Labour flexibility in terms of working time, labour quantity and functional characteristics
- Cargo handling value per docker (creation value-added)

Legal conditions
- e.g. Law on port labour pool
- Legislation on working hours
- Legislation on safety, etc..

Social conditions
- Labour conditions
- Training
- HRM relations (motivation, commitment, governance model)
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Market requirements

Market developments

Technology and scale (ships, terminals)

Commodity mix (containerisation)

Inland transport (opening hours gates)

Terminal networks
  Dedicated terminals

Vertical integration (terminals+logistics)

Implications on port labour

Multi-functionality
dock worker

Training and skills
Career path

Cost, productivity and flexibility needs

Employee-employer relations

Benchmarking port labour
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Internal organization

External organization

minimize

maximize

optimize
Labour productivity is function of:

- Technology
- Training and education
  - Quality of newcomers
  - Training and career planning
- Motivation and labour spirit
  - Financial arrangements
  - Employee-employer relations (commitment, loyalty)
  - Career possibilities
  - Societal status dock worker and professional pride
- System of gangs
Performance port labour
The concept ‘flexibility’

• Flexibility has many faces:

  - Working time (active and passive flexibility)

  - Labour quantity

  - Functional characteristics (cf. multi-tasking)

  - Organizational system of pool

  - Assignment system (e.g. shifting gangs between vessels)
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**Optimize**

**Minimize**

**Maximize**

**Internal organization**

**External organization**
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Social and legal conditions

• Social dialogue:
  - Dock workers typically represent a small part of total direct and indirect port employment
  - Labour unions are typically very visible at the dock labour front, (differences across seaports and countries)
  - ‘social dialogue’ through effective bodies of joint consultation

• Training and safety
  - Essential for labour productivity and safety record.
  - Organized by terminal operating companies, industry organizations and or specialized training centres at the level of the individual port or even at a global level (cf. International Labour Organization)
  - Not only focused on technical skills, but also on teamwork, problem solving and social dialogue.
Dock labour reform
The definition of ‘dock work’ and the (legal) status of the dock worker

- Quite a number of port labour systems require that only registered dock workers can perform dock work in the port.

- Discussion on ILO Convention 137 “Registered dock workers shall have priority of engagement for dock work”.

- Main differences across Europe:
  - Recognition process of dock workers and entities involved
  - Definition of dock labour: only loading and unloading of ships or broader
  - Employment status of dock workers (civil servants, workers directly employed by a private terminal operating company, workers employed through dock labour schemes, etc..)
Dock labour reform
Labour pools

- Labour pools come in many forms:
  - Mandatory or not.
  - De facto or imposed by law.
  - Sources and level of income support for idled registered workers
  - Differences in governance of a pool

- Trends:
  - Increasing number of dock workers are directly employed by terminal operators, instead of contracted via ‘pools’
  - Privatisation of the status and operation of labour pools
  - Trend towards open and autonomous pool systems with back-up of temporary employment agencies.
  - Labour pools are often involved in the training of dock workers.

- The status of dock labour pools and the degree of openness of some of these pools remain points of attention and contention
Dock labour reform
Arrangements at the work floor

• Push from the employers’ side towards continuous working (via individual rather than collective breaks), flexible start times and variable shift lengths.

• Impact of national and supranational legislation on working time

• European ports show a rather large variety:
  - Composition of and flexibility within gangs/teams
  - The hiring moment(s)
  - The persons involved in the hiring process
  - The characteristics and governance of the supervisory system
  - The interaction between docker and hiring entity
  - The control/freedom given to the docker
Dock labour reform
Specialization/categorization/qualification of dock workers

- **Categorization of dock workers:**
  - Division between permanent and non-permanent workers.
  - Among casual workers: trend towards quasi-permanent workers
  - Principle of ‘repeat hiring’

- **Job categories of dockers,** with varying degrees of labour mobility between categories.

- **Job qualifications,** allowing a (casual) docker to be deployed for any dock work as long as he has the right qualification(s).
Conclusions

• Dock labour systems have an important role to play

• Interplay: market requirements – costs - legal and social conditions

• Diversity in port labour systems in Europe, but key issues in labour reform processes are often common

• General trends:
  - Trend towards open and autonomous pool systems
  - Push from the employers’ side towards continuous working, flexible start times and variable shift lengths.
  - More permanent workers, more semi-regulars among casual workers
  - Job categories versus job qualifications
  - Increased attention for social dialogue through effective bodies of joint consultation
  - Increased attention for training and safety
Thank you for your attention!

theo.notteboom@gmail.com

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www.porteconomics.eu
www.iame.info