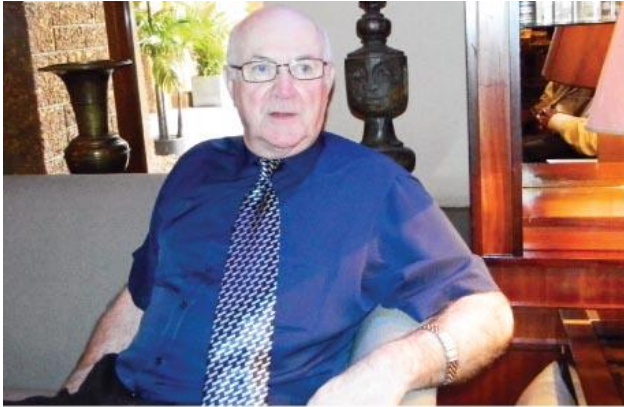


# Trained Staff A Must For Shipping Hubs – Bruce Ogilvy



*By Roy Silva*

If Sri Lanka is going to establish a shipping hub, there should be people who are trained and qualified to operate that hub. Because if they are not, if they don't work efficiently, ship owners and charterers will move to terminals that could provide an efficient service, says Bruce Ogilvy, Vice President of the Institute of Chartered Shipbrokers (ICS).

In an exclusive interview with *The Sunday Leader* on Wednesday, the ICS official emphasized on the need for trained and qualified staff for the betterment of the shipping industry and expressed his views on the upcoming port development projects in the island nation to make it a shipping hub in the region.

According to the ICS official, Sri Lanka is in a perfect position to be a feeder port. With India to feed into Colombo, feed into bigger ships and go to the Far East, Singapore and Australia, to the West or South Africa, Sri Lanka is in an absolute perfect position, says Bruce and observes that India is really close to China in terms of development.

Their growth rates are pretty high compared to the rest.

Commenting on ports that Sri Lanka has to compete, he said that Singapore is huge in terms of a hub, and as such Sri Lanka had a lot of hard work pinch into some of their business.

“That's happening in Dubai. It's creating a massive container terminal and also Abu Dhabi. But you need highly qualified people to make them run and operate efficiently.

Then only Sri Lanka can attract the trade from Singapore and the Gulf to this island,” noted Bruce.

Geographically, Sri Lanka is perfectly placed. Now you have to get the facility up and running, get the people educated and trained.

Then you will start finding Southern India moving their trade down through Sri Lanka in order to transship it out through bigger ships, he observed.

Elaborating further, Bruce said that if a new shipping hub is to be established, it's not going to be any good being as good as the others. “You got to be better.

You got to find some reason to persuade the regular users of Singapore, Abu Dhabi, Dubai to come through Sri Lanka.

It's not good enough to say that we want to be as good as Singapore or Dubai. You got to be better. Shippers don't like to go to places where there are problems because they have enough issues to worry about.

So you got to have well trained, well organised, well educated workforce who can prove that they can do better than the competing ports. You got to be better than the competition. That's how I see it," said the Vice President of the International Chartered Shipbrokers.

### **South Port**

On the new South Port due to begin operations this year, which could service even the biggest container vessels, Bruce said that it was good news.

"The bigger places in Dubai and Abu Dhabi, they have no shortage of money.

They just throw money at it. Singapore has been a shipping hub for many decades.

They get bigger and bigger and service the biggest container ships in the world. Port operations are much easier, simpler, they have big power thrusters, stern thrusters, they can turn those around 'on a six-pence'.

That's what you want to have and you don't want to have all those additional costs," said Bruce, a veteran in the maritime industry and one time a master of Shell tankers.

### **Training**

Bruce noted that the advantage of the geographical position did help.

It's one part of the jigsaw. You also got to have deep water, easy facilities, equipment to do the job fast, you also got to have the educated and trained personnel to go with it, he said and noted that the Institute of Chartered Shipbrokers had got the courses for just about anything in the shipping industry.

"Our education and training committee in London is constantly looking at syllabuses, adds new courses," he said.

The ICS branch in Sri Lanka plays a vital role in transmitting the courses, described as a distant learning centre.

The ICS London sets the courses, the syllabuses, then it delegates it to the branches, and they implement the various training courses on behalf of the ICS in London.

Commenting on the 24 branches worldwide, Bruce said that they are spread throughout the world from Canada, North-West Europe, the Middle East, Asia, Australia, New Zealand, South Africa, one of ICS strongest branches.

Elaborating on South African sector, Bruce said that they go into schools and underprivileged areas to spread the word.

It has been very successful. They don't charge. Everything is done through sponsorships.

### **Big Ships**

Asked about mega carriers coming into service and whether it could have an effect on improving freight rates, Bruce took a little time to respond.

"How do you stabilize a freight rate which is already at basement level," he asked and noted it would go up when the world comes out of its recession.

He said that it was only six, seven years ago, that tankers, which today are earning minus US\$ 10,000 a day, were earning US\$ 200,000 a day.

"So today it is completely reversed.

A number of large shipping companies have gone bust last year.

We have to have a recovery of freight rates. Otherwise there will be more casualties. In addition, ship owners are under huge pressure to renegotiate their loan mortgages with their bankers,” he said.

“They have to stop building new ships and start scrapping the old ones,” and responding to the observation that last year alone more than 360 vessels had been sent for scrapping, Bruce said that, “To have a healthy shipping market, they got to scrap a lot more.”

### **Shipping Professionals**

Asked about the numbers and where there are enough professionals in the industry, Bruce had no hesitation in saying, “There are never enough professionals.

We have been banging our drum for a number of years and have found that in the last five years the numbers of students sitting examinations has gone up worldwide.

That includes Sri Lanka as well. Don’t forget that we have to do our work in London because we only have limited resources.

Normally what happens during a bad market as we are experiencing now, where everybody is wondering about their operating costs, the first thing that goes out is the education and training.

It’s easy. Just take it out of the budget, saying that we don’t need that. It’s a very short-sighted policy, very naive.

Because in the long run, when the market gets better, you don’t have the expertise to run a good operation.

Then you’ll be left high and dry.”

Bruce Ogilvy first came to Sri Lanka while he was working for the Shell Company when the island nation was still called Ceylon He is a master mariner who has commanded a ship and thereafter proceeded to work from terra firma.

At present he is the Vice President of the Institute of Chartered Shipbrokers and expected to become the president soon.

In addition Bruce has another hat in the organization as the Chairman of the Educational Trust.

### **Pollution**

Making his observations on pollution, emission control and regulations in that direction, Bruce said that the shipping industry got a very bad name after a series of tanker accidents.

Today the industry all over the world is very much aware of environment concerns.

“When I went to sea in the good old days, we simply chucked the refuse over the side.

Today, they are graded in different coloured bags and boxes and when we get into a port, they are taken ashore for recycling or land filling, etc.

It was the same with tanker washings. We used to throw it over the side.

Now they are retained on board the ship, when in port pumped into a refinery to take the water out, reprocesses it and the cycle goes on.

The general awareness over emissions has grown over the last 15 years or so and today it is very much stronger.

### **Changes**

Bruce noted that since the Exxon Valdis accident, all tankers had to be double hulled.

They cost a lot more to build and the technology is totally different from the time that he had

gone to see.

“I used to use a sextant to find out the position of the ship but now I can use my mobile phone to get the same information. So the whole scene has changed and it’s much more sophisticated.”

Stressing further the importance of education, he said that the shipping trade has become very sophisticated and there is a strong need for the staff to be professionally educated and trained.

“While a captain’s certificate is very good while at sea, it’s not good when coming ashore.

That’s where the ICS comes in. It’s got a whole range of different subjects.

There are no barriers. One can start at a very low level at foundation stage. You can come into the industry knowing nothing and you can find within the ICS courses, subjects and sectors one wishes to go into. Whatever one wants, he can find it in the ICS,” said the ICS official.