

Merchant Seamen During the Reconversion

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UNEMPLOYMENT INSURANCE for merchant seamen was enacted into law in the Social Security Amendments of 1946. The new legislation extended the Federal Unemployment Tax Act, as of July 1, 1946, to cover private maritime employment, thus facilitating the inclusion of merchant seamen under State unemployment insurance laws. A special program was also provided to pay unemployment insurance benefits out of Federal funds during the transitional period to seamen employed by agents of the War Shipping Administration. Under this program, which will go into effect when Congress appropriates funds, the States, as agents of the Federal Government, will pay benefits to such seamen.

In administering these programs the employment security agencies will encounter many new problems, both because of the shifting control of maritime employment during the war years and the special characteristics of seafarers and their occupation.

Wartime Changes in the United States Merchant Marine

On the eve of American entrance into the war, in July 1941, the United States merchant marine employed relatively few men (54,000) aboard offshore vessels of 1,000 gross tons or more; nearly all these vessels were in the service of private ship operators.

Pearl Harbor brought a transformation in the maritime industry. Plans were made for the construction of thousands of new vessels, and a vast recruiting and training program, aimed at quadrupling the maritime labor force, was undertaken. In April 1942 the War Shipping Administration was established to operate the Nation's expanding merchant fleet, and during the following year the Federal Government took over from the private ship operators, who became its agents, the direction of practically all the vessels and their crews.

With the ending of hostilities, control of maritime employment has been

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reverting to private management. The War Shipping Administration, and subsequently the U. S. Maritime Commission which absorbed the wartime Government ship-operating organization, have returned many vessels to their original owners and have been chartering and selling Government-owned vessels to the private shipping companies. By July 1946, 41,500 men were employed on privately owned and operated vessels, roughly half as many as had been engaged on WSA-controlled ships (table 1). By the end of the year, private maritime employment exceeded that of the agents of the Maritime Commission.

Although there is some uncertainty about the date on which the Maritime Commission's operation of vessels will end, it is certain that employment on the vessels of its general agents will continue to decline in comparison with that for private operators. Government ship operation will cease probably during 1947 and almost certainly long before June 1949, when reconversion unemployment benefit payments will end.

The decline of Government activity in shipping has been accompanied by a sharp drop in total maritime employment. From 162,500 in July 1945, employment on offshore vessels of 1,000 gross tons or more—both WSA and privately controlled—fell to 119,500 in mid-1946, and preliminary estimates indicated a total employment figure of 100,000 as of the end of the

year. By 1950 the number of seafaring jobs in the offshore merchant marine will probably not exceed 60,000. In these circumstances it is apparent that unemployment will threaten many merchant seamen in the immediate future.

The Social Security Act Amendments of 1946 extended unemployment tax coverage to two groups of seafaring workers who are not included in the offshore maritime labor force and who, in general, will not have the same problems, from the employment security viewpoint, as the deep water seamen with whom this article is primarily concerned. These groups are the seamen aboard Great Lakes vessels, numbering 15,000 in July 1946, and the men employed aboard vessels in sounds, bays, and harbors and on rivers, numbering perhaps 40,000, some of whom were covered previously under the State systems.

Shifts in Employment and Labor Turn-over

The amendments did not extend coverage under either the State laws or the temporary Federal program to civilian employment on vessels of the Army Transport Service, estimated at 26,000, and on American-owned foreign flag vessels, such as those of Panamanian and Honduran registry, representing 4,500 men. Many of these men, however, because of the tendency to shift from one type of service to another, will also have been engaged during a base period on American flag vessels and, as a result, will acquire eligibility for unemployment benefits.

The shifts in employment are one aspect of the outstandingly high labor

Table 1.—Estimated number of seagoing personnel aboard American flag or American-owned nonnaval offshore vessels, by employment control, 1941-46

[In thousands]

Month and year	Total	Employed on U. S. flag merchant vessels ¹			Employed by U. S. Army	Employed on WSA Panamanian and Honduran flag vessels ¹
		Total	WSA-controlled	Privately controlled		
July 1941.....	54.3	50.0	50.0	4.3
July 1942.....	59.0	47.0	47.0	12.0
July 1943.....	110.2	89.0	88.5	.5	15.0	6.2
July 1944.....	157.9	130.6	130.1	.5	21.5	5.8
July 1945.....	191.0	162.5	162.0	.5	23.2	5.3
July 1946.....	150.4	119.5	78.1	41.5	26.4	4.5
January 1947 ²	130.0	100.0	45.0	55.0	26.0	4.0

¹ Vessels of 1,000 gross tons or more.

² Data preliminary.

Table 2.—Estimated percentage distribution of the maritime labor force by region and State of Selective Service registration, April 1946¹

State	Percentage distribution	State	Percentage distribution
United States.....	100.0		
East Coast.....	44.6	Great Lakes.....	11.6
Maine.....	.8	Indiana.....	.8
New Hampshire.....	.1	Ohio.....	2.8
Vermont.....	.1	Illinois.....	2.6
Massachusetts.....	4.4	Michigan.....	2.3
Rhode Island.....	.8	Wisconsin.....	1.3
Connecticut.....	1.2	Minnesota.....	1.8
New York.....	18.0		
New Jersey.....	4.2	Inland States.....	8.9
Pennsylvania.....	5.7	North Dakota.....	.2
Delaware.....	.1	South Dakota.....	.2
Maryland.....	2.9	Arkansas.....	.3
District of Columbia.....	.5	Iowa.....	.6
Virginia.....	2.3	Nebraska.....	.7
North Carolina.....	1.5	Missouri.....	1.9
South Carolina.....	.7	Kansas.....	.8
Georgia.....	1.3	Oklahoma.....	.8
Gulf Coast.....	12.1	Montana.....	.2
Florida.....	2.0	Idaho.....	.2
Alabama.....	1.6	Wyoming.....	.1
Mississippi.....	.6	Colorado.....	.8
Louisiana.....	3.0	New Mexico.....	.1
Texas.....	4.9	Arizona.....	.2
Pacific Coast.....	22.8	Utah.....	.4
California.....	16.9	Nevada.....	.1
Oregon.....	1.6	Tennessee.....	.6
Washington.....	4.3	Kentucky.....	.3
		West Virginia.....	.4

¹ Based on sample data, April 1946.

turn-over in the maritime industry. At all times the number of individuals active in the industry is much larger than the total number of men actually employed aboard vessels. In mid-1945, for example, when employment on all offshore vessels totaled approximately 191,000, the total maritime labor force was estimated at 241,000. The difference represented men in the shore reserve—those awaiting assignment on vessels, those in hospitals, upgrade training schools, and so on. Moreover, during an annual period, even greater disparities are evident. From September 1943 through August 1944, according to a study by the U. S. Coast Guard, 218,700 individuals were engaged on offshore vessels of 100 gross tons or more; during the same period, the average monthly employment for such vessels was roughly 116,000.

Even during normal times the maritime industry experiences high turn-over, since seamen are generally hired on a voyage basis. During the transitional period, with the transfer of many vessels into repair or reserve status, the trend may be expected to

continue, though mitigated somewhat by renewed labor-management efforts to foster continuous employment.

Changes in employment, however, are traditional in the maritime industry, a fact of much significance in administering employment security programs for seamen. The typical seaman serves aboard vessels 9 to 10 months in the year, dividing the time among several voyages. After completing a voyage on a vessel that no longer requires manning, the seafarer generally reports to a union hiring hall to apply for a new assignment. Hiring halls for unlicensed personnel generally make assignments on a rotation basis, so that the men "on the beach" longest have first preference. As a result, job applicants may have to wait several weeks for an assignment during periods of "slow shipping." It may be assumed that in most cases the seaman awaiting assignment will be ready to accept any suitable maritime job. Of special interest is the fact that the seaman often changes ships on his own initiative, in search of broader seafaring experience, a better rating, or a change of companions or scenery; other factors causing breaks in the continuity of employment are the high disability rate among seafarers and enrollments in upgrade training programs.

To the extent that some of these situations in which employment status is indeterminate are recognized as resulting from established employment practices in the industry, special procedures in the operation of employment security programs may need to be developed. Certainly these practices complicate problems of estimating unemployment among seamen, and consequently of administrative and legislative planning for the new programs.

Maritime Employment by State

The seaman is among the most migratory of workers. He frequently ends an engagement in a seaport in a different State from the one in which he last signed on for a voyage, or in which he customarily lives while ashore, or in which his erstwhile employer maintains operating headquarters offices. While looking for a job, he is likely to go from

one seaport to another, sometimes from one coast to another. This mobility will multiply the volume of interstate unemployment benefit payments and complicate the problem of estimating the claims load in the various States.

Five States¹ extended coverage to private offshore maritime employment shortly before July 1946, and in some of these States payment of benefits to unemployed seamen has begun. Coverage under the State unemployment insurance laws is related to the State in which the employer maintained his operating headquarters. Records of the Maritime Commission for June 1945, when practically all shipping was Government controlled, give a rough indication of the State distribution of employment. These records indicate that close to half of the employment on WSA vessels was in the service of agents who maintained headquarters in New York; nearly a fifth was in California, and close to a tenth each was in Louisiana, New Jersey, and Washington, while other coastal States had smaller proportions. These proportions are likely to be modified during the transition to the extent that shipping companies' operating offices are located in places other than their headquarters, but there is little doubt that New York and California will have the largest share in the coverage of maritime employment.

¹ California, New Jersey, New York, Pennsylvania, and Texas.

Table 3.—Estimated percentage distribution of men in the maritime labor force, 1941, 1943-44, 1946, and men in the total labor force, 1940, by age group

Age group	Maritime labor force			Total male labor force
	1946 ¹	1943-44 ²	1941 ³	
All ages.....	100.0	100.0	100.0	100.0
Under 30 years....	61.1	57.7	32.2	31.9
30-44 years.....	26.2	29.8	48.3	33.8
45 years and over..	12.8	12.5	19.5	34.3

¹ Based on adjusted sample data, April 1946.

² Adjusted data, U. S. Coast Guard, *Annual Report of the United States Merchant Marine Personnel Employment, 1 September 1943 to 31 August 1944*.

³ Adjusted data, Bureau of Labor Statistics, *Maritime Labor Force in the United States* (as of July-August 1941).

⁴ Bureau of the Census, *Sixteenth Census of the United States: 1940, Population—Characteristic by Age, 1943*.

Practically all 51 State jurisdictions may be expected to take part in the actual handling of claims. The State distribution of claims under both the State unemployment insurance laws and the reconversion benefits program will be determined chiefly by two factors influencing the movement of seamen between ports—the amount of shipping activity in the ports and the customary residence of the seamen. The home States of seamen in 1946 are indicated by the data on the location of their Selective Service boards.

These data show that about 45 percent of the maritime labor force came from States on the East Coast, 23 percent from Pacific Coast States, 12 percent each from the Gulf area and the Great Lakes region, and 9 percent from inland States. As might be expected, compared with the distribution of the total male labor force, the seaboard States have a much higher representation than other States in the maritime labor force. This is particularly true for the Pacific Coast States, which had only 8 percent of the total male labor force in 1940.

Reemployment Opportunities

An examination of the age distribution of merchant seamen indicates that a large proportion of them may not have had previous experience in shore employment. Seamen are predominantly young men. In 1941, over 30 percent of the seagoing personnel were less than 30 years old, and 80 percent were less than 45—considerably higher proportions than among the total male labor force (table 3). Over the war years the concentration of young men developed steadily in the maritime labor force. In 1943-44, men under 30 made up 58 percent of the maritime labor force, and by April 1946, more than 60 percent.

In early 1946, 16 percent of the maritime labor force were under 19 years of age, and 34 percent were 19-25 (table 4). Many of these younger workers may never have had a shore job, and as shipping employment opportunities decline they may therefore represent a special problem for employment security programs in terms of job placement and determinations of suitable work. It may be expected that many of these men will wish to return to school. Educational

benefits for war-service merchant seamen are proposed in the Merchant Seamen's War Service Act, introduced in the Eightieth Congress.

One legislative enactment which is aiding the employment readjustment of merchant seamen is Public Law No. 87, Seventy-eighth Congress, under which seamen who served continuously aboard merchant vessels from May 1, 1940, through 6 months after the termination of the unlimited national emergency may be entitled to a Certificate of Substantially Continuous Service, issued under WSA regulations. This certificate, which guarantees reemployment privileges similar to those available to discharged veterans of the armed forces, has also helped seamen to obtain employment with firms restricting jobs to veterans and has in other ways been accepted as the equivalent of an honorable discharge from the armed forces.

The reemployment problems of merchant seamen who desire to work ashore are directly affected by the skills they acquired on shipboard. Men in the deck department, such as mates, carpenters, bosuns, able seamen, and those in the engine department, such as engineers, firemen, and oilers, have in some cases acquired skills which are particularly valuable in the building and ship construction and maintenance trades. Their duties often involve skill in rigging,

painting, woodworking, electrical work, plumbing, and machine maintenance and repair. In a few communities, merchant seamen having these skills have been granted advance credit in apprenticeship training programs for building trades to which their experience was relevant. Other jobs ashore may be suitable for pursers and other staff officers, as well as radio officers. The parallel between the knowledge required of steward's department men and restaurant and cafeteria work is fairly obvious.

In some cases, however, skills may not be readily transferable, and, although many seamen who served in the merchant fleet during the war wish to return to their homes and shore-side jobs, a great many others have come to prefer seafaring to other vocations. These men will not stop seeking jobs on vessels regardless of declining shipping employment prospects. Moreover, the Nation's need for an efficient personnel in its merchant marine, both for commercial and national defense reasons, is altogether clear, as expressed in the Merchant Marine Act of 1936 and other laws. In the light of these facts, therefore, the administration of employment security programs to facilitate the readjustment of war-service seamen during the transition will require particularly careful planning and highly flexible administration.

Table 4.—Estimated maritime labor force by age and rating group, April 1946¹

Rating	Percentage distribution by rating	Percentage distribution by age group							
		Total	Under 19	19-25	26-29	30-37	38-44	45-64	65 and over
Total.....	100.0	100.0	16.3	34.4	10.4	16.6	9.6	12.2	0.5
Master, chief, 2d, and 3d mate.....	8.0	100.0	-----	27.3	15.1	24.4	15.7	17.0	.6
Chief engineer, 1st, 2d, and 3d assistant engineer.....	9.2	100.0	-----	23.5	16.5	24.8	13.7	20.3	1.2
Radio operator.....	2.5	100.0	19.1	42.9	10.1	14.8	5.9	7.2	-----
Purser, pharmacist's mate, and clerk.....	2.6	100.0	8.7	35.4	18.5	21.4	6.5	8.9	.6
Able seaman, carpenter, bosun, etc.....	18.2	100.0	14.9	37.8	11.2	15.8	9.5	10.5	.3
Ordinary seaman.....	9.9	100.0	35.2	46.2	5.3	8.1	2.6	2.4	.2
Fireman, oiler, unlicensed engineer, electrician, plumber, machinist, etc.....	17.8	100.0	15.1	36.3	9.4	16.1	9.4	13.3	.4
Wiper, coal passer.....	5.6	100.0	29.7	40.7	8.8	13.0	3.4	4.4	-----
Steward, cook, baker, butcher, etc.....	9.2	100.0	5.8	17.8	10.4	21.1	18.8	24.8	1.3
Messman, galleyman, waiter, porter, etc.....	15.9	100.0	26.0	36.6	7.5	13.0	7.4	9.0	.5
Cadet and other.....	1.1	100.0	35.7	39.6	5.2	11.7	1.3	5.2	1.3

¹ Based on adjusted sample data.