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The Future at Stake: Meeting the Maritime Industry's Workforce Demands

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At its core, insurance is a way to transfer financial risk. All businesses bear the risk of an event resulting in a negative financial outcome. Let's say you own a shipyard and are concerned about lost income if a fire destroys the yard. You want to transfer a portion of the risk to a third party. You bring in a broker who presents your risk to one or more insurance companies, who may offer terms. If the terms are mutually agreeable, you execute a contract with the insurer (the policy), and they assume a portion of your risk for a financial consideration (the premium). If an unforeseen event occurs, resulting in a negative financial outcome, you file a claim, and, ideally, the insurance company indemnifies (makes you whole) by paying the claim.

As a marine insurance broker, I view risk through a watery lens. If you own a fishing vessel and want coverage if your boat breaks down, there is an insurance policy for that. If you are a tour boat operator concerned about injury to your guests, there is an insurance policy for that. If you run a shipyard and an employee may be injured, there is an insurance policy for that. But what if your risk is not having anyone to drive the boat or not being able to find crew members? What if there weren't any workers for the shipyard?

These aren't hypothetical risks. I work with a broad array of maritime companies, including shipyards, boatyards, commercial fishing and seafood processing companies, marine transportation and logistics companies, passenger vessel operators, marine construction companies, and maritime support services. While each of these subsectors of the maritime industry has attributes that are unique to their operations, the one thing that unifies them is the struggle to recruit and retain qualified workers.

Unfortunately, there isn't an insurance coverage in the world to address worker shortages. More alarming, the industry faces an existential crisis as the aging workforce retires and traditional recruitment pipelines can't fill the vacancies.

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Several local organizations have accepted this challenge and are actively working today to create the maritime workforce of tomorrow.

MARITIME HIGH SCHOOL

Maritime High School (MHS) is a collaborative effort between Highline Public Schools, Northwest Maritime Center (NWMC), the Port of Seattle, and the Duwamish River Community Coalition. MHS opened its doors in September 2021. The school aims to connect students with hands-on, project-based learning to create access to local maritime careers and open doors to college.

The founding partners recognized the importance of the maritime economy to the state, noting the industry is a pillar of the state's economy, with roughly 800 maritime businesses providing over 19,500 jobs in King County alone. While the industry continues to grow an average of 6.4% per year, there is significant concern about whether the future maritime workforce will be sufficient to meet the projected demand. Furthermore, students of color make up more than 70% of students in the residential areas closest to many of the region's maritime industries. However, these communities have limited access to waterfront jobs, and area schools offer few entry points into maritime careers.

According to NWMC Executive Director Jake Beattie, recruitment efforts begin in middle school and are targeted broadly "as a multiplier mechanism to engage way more than just the students, but also their moms and dads, brothers and sisters, uncles, aunts, neighbors and friends. If Seattle Maritime Academy is the pipeline into the industry, MHS is part of the pipeline to the pipeline. So are other programs like Core Plus and the Seattle Skills Center."

CORE PLUS MARITIME

<u>Core Plus</u> was originally envisioned by the Manufacturing Industrial Council (MIC) of Seattle to "bring back shop class." Early involvement of The Boeing Co. led to Core Plus

Aerospace. Building on that model, Core Plus Construction launched in partnership with the Associated General Contractors of Washington Education Foundation. More recently, the MIC created Core Plus Maritime with support from a variety of industry partners and the Washington Office of Superintendent of Public Instruction (OSPI).

Core Plus Maritime is now active in 23 different high schools across the state, from Colville to Neah Bay. It is a free, two-year, standardized high school curriculum recognized by OSPI. It offers credit equivalencies for math, science and English language arts, state funding for materials and training, and opportunities for ongoing professional development for instructors.

Each Core Plus program was developed in partnership with the industry and relies upon its continued participation. In addition to hands-on, skills-based manufacturing instruction, students have opportunities for career and company exploration. Beyond graduation credit, students can earn at least three industryrecognized certificates: the Core Plus Maritime Foundation Certificate, the Core Plus Maritime Certificate, and the Washington Boater Safety Card. Collectively, these certifications demonstrate an understanding of shop-relevant safety skills, entry-level job-seeking skills, familiarity with power tools and industrial equipment, a basic understanding of electrical and mechanical systems, proficiency in first aid and CPR, and mastery of the rules of the road and water safety so they can fully immerse themselves in the marine environment.

Many Core Plus students enter the workforce directly upon graduation. Others may choose to continue their education through apprenticeships, additional vocational instruction, or two- or four-year academic institutions.

BACK TO RISK MANAGEMENT

The maritime industry is extremely resilient. For thousands of years, mariners have faced innumerable challenges head-on. Our job in insurance is to help them face those

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challenges via risk transfer. While insurance can't offer a policy to address workforce shortages, there are many things we can do. We can use our networks to encourage dialogue and make connections among stakeholders, using our relationships with companies who may offer hands-on learning experiences, internships, and, eventually, jobs. We can also volunteer our time to help with curriculum development and outreach.

Whether you are part of the maritime industry or the community at large, I encourage you to step up to the plate and actively engage with the organizations I've highlighted, as well as others that weren't mentioned, such as the Ballard High School Maritime Academy, the

Youth Maritime Collaborative, and Washington Sea Grant. More importantly, if you have kids, grandkids, friends or neighbors wondering what to do with their lives, get them plugged in. The maritime industry provides great living wage jobs and opportunities for advancement. Industry has fueled the region's growth for as long as people have been here. You can help ensure it continues to fuel that growth well into the future by investing your time and resources today to develop the workforce of tomorrow.

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