

# PAY DAY

*Trends, longevity or commitment? Frances and Michael Howorth look at what is driving today's Superyacht crew wages?*

What many crew want to learn is, what is happening with wages this season and what is likely to happen next season. Our continued and continuing research into the subject has made us one of the leading authorities when it comes to this question.

To keep abreast of the situation we regularly speak not only to crew on this subject, but frequently raise the topic with crew recruitment agencies and yacht managers so that we stay on top of our speciality. In the previous feature, we accurately pinpointed the trends over the last 12 years but what is trending now? What is it that has been the most noticeable development in crew wages generally over the last 12 months?

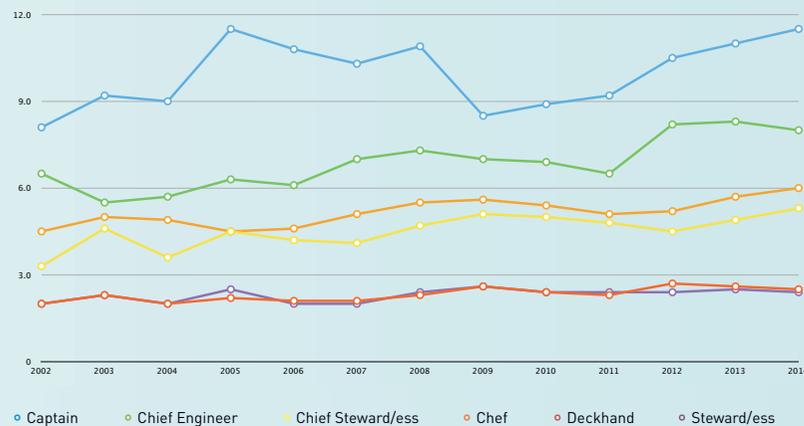
Louise Cailbourdin is the Crewing Manager at Crew Network in Antibes. As part of the Fraser Yachts Group and under the ownership of V. Ships, the Merchant Navy crewing agency, her offices are well placed to have a finger on the pulse. Louise believes that is a continued trend towards rotational positions that is the most noticeable trend. "Rotation," she says, "Can be varied e.g. 2 on/2 off; 3 on/3 off; 3 on/1 off. These positions can be paid whilst on

board only; whilst on board with a small retainer when off the boat or they can be paid all year round whether on or off the boat.

Rebecca Mackenzie is a Senior Marine Recruitment Consultant at Viking Recruitment Limited a company who places large number officers into the cruiseship industry each year. Rebecca says that her colleagues have noticed "The salaries for permanent positions have increased in the last year, however as more boats are becoming rotational, the wages seem to have dropped slightly for these roles to compensate for the extra leave given."

At Wilson Halligan, a firm based in Hamble at the heart of Britain's yachting community, director Terry Wilson has seen the trend in some decline, due he says, "To a huge amount of competition in most areas. Some of the senior people, where the availability of the jobs is so tight, are feeling pressure to 'undercut' the next person, unfortunately. He adds Some Captains have had to drop their previous expectations by €2000 per month or more, to secure a suitable position. Other yachts, however, have remained at a high standard and increase salaries year on year. This causes a situation, often in the junior ranks,

## AVERAGE CREW SALARIES ABOARD 50m YACHT



where person A wants the same salary as person B. If they leave to join yacht X this can commence a cycle of potentially poor longevity, if the full package on the new yacht does not match their overall needs."

80%

The amount of newbies who have no experience that will be out of the business within a year

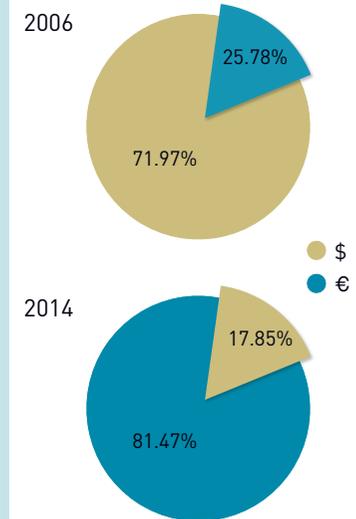
Adrian McCourt is a superyacht manager and is the principle of Watkins Superyachts, a firm that manages several significant superyachts. He believes, "Captains are responsible for their own negotiations. Of course, the old adage holds true that the only time you can negotiate hard on your salary is before you accept the job. I am aware that Engineers and ETOs who can service and maintain sophisticated systems on board are at a premium but not really aware of them leapfrogging the Captains in salary terms."

Not every one can pinpoint a trend. Angela Wilson Elite Crew tells us, "We really haven't seen any significant changes in salaries. What we have seen though is an increase in the benefits offered, especially on our yachts over 60m. Most are now offering what we call a light rotation of 5 months on/1 month off for all crew paid 12 months, even juniors. Naturally all flights, full health (sometimes including dental) and annual bonuses are now standard. The most common bonus being a 13th month pay. Some even offer educational incentives so that if a crewmember successfully passes courses to further their qualifications they are reimbursed." Rodney Aird-Mash, of Sea Gem International is quite convinced that "Crew wages seemed to have remained pretty static over

It is a fact that over the 12 years of record keeping, entry level wages have remained at roughly the same level throughout that period. Given the qualifications that junior crew need to have in today's industry and the cost of acquiring them, this means that in real terms the pay for these ranks have fallen.

## EURO v DOLLAR

When the Euro was introduced in 2002 many yachts based in Europe switched from US Dollars to Euros. The following analysis shows how the US Dollar has lost its dominance as a salary indicator for yachts that operate outside of the USA.



the past 12 months, perhaps even dropping a little at "Entry Level" which probably reflects the rather low experience level of experience of many entering the business, the thinking being: "see if they actually CAN and WANT to do Yacht work and put the salary up if it turns out they do". Aird-Mash



€2,000

The amount some captains have had to drop their previous salary expectations by per month or more to secure a suitable position

## CREW SALARY GUIDELINES

	25-30m	30-35m	35-40m	40-45m	45-50m	50-55m	55-60m	60-70m	70m+
Captain	4,500-6,000	5,000-7,000	6,000-8,000	7,000-9,000	9,000-12,000	10,000-14,000	12,000-16,000	13,000+	15,000+
First Officer*	2,500-3,500	2,500-3,500	3,500-4,000	4,000-5,000	4,500-5,500	5,000-6,000	5,500-6,500	6,000-7,500	7,000+
Bosun*	—	—	—	—	3,000-4,000	3,500-4,500	4,000+	4,000+	5,000+
Deckhand exp.*	2,500-3,500	2,500-3,500	2,500-3,000	2,500-3,000	2,500-3,000	2,500-3,000	2,800-3,500	2,800-3,500	3,000+
Jr. Deckhand	—	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500
Chief Engineer*	—	3,500-5,000	4,000-6,000	5,000-7,000	6,500-9,500	8,500-10,500	—	—	—
Chief Eng. Rotation**	—	—	—	—	—	5,500-6,000	5,500-6,500	6,000-7,000	7,000+
2nd Engineer*	—	—	—	—	3,500-5,500	4,000-6,000	5,000-6,500	6,000+	—
2nd Eng. Rotation**	—	—	—	—	—	—	—	5,000+	5,500+
ETO	—	—	—	—	—	—	4,500-6,000	5,500+	5,500+
Purser	—	—	—	—	—	5,000-6,000	5,500-6,500	6,000+	6,500+
Chief Stew	2,500-3,000	2,500-3,500	3,000-4,000	3,500-4,500	4,000-5,000	5,000-6,000	5,500-6,500	6,000+	6,500+
Experienced stew	—	2,500-3,500	2,500-3,000	2,500-3,000	2,500-3,000	2,500-3,000	2,800-3,500	2,800-3,500	2,800-3,500
Jr. Stew	—	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500	2,000-2,500
Chef	3,000-4,000	3,500-4,500	4,000-5,000	4,500-5,500	5,000-6,000	6,000-7,000	6,500-7,500	7,000+	7,500+
Sous Chef	—	—	—	—	—	3,500-4,500	4,000-5,000	5,000+	5,500+

\*Dependent on required certificate.

\*\*Based on time for time rotation and paid every month.

Actual salaries will always vary depending on a candidate's specific experience, training, certification, and additional skills, as well as a particular yacht's needs

Credit: Camper & Nicholson's

has additionally made the observation that, "Big Ticket: Chief Engineers increasingly reluctant to work on non-rotational basis, and lower than top dollar rates.

Rupert Conner who heads up the Luxury Yacht Group, with crew recruitment offices in Antibes, in part agrees with Aird-Mash saying, "Crew wages are not rising particularly fast, so if that's a trend I would like to think of it as a sign that our industry is maturing and we are seeing merit based rises based upon experience and quality of service."

# 2005

**A good year for earning money working aboard yachts with wages for many ranks peaking at figures that would not be seen for the next nine years!**

At Watkins Superyachts Superyacht manager Adrian McCourt "What I now see more frequently, is Chief Engineers on a 1:1 rotation against a Captain who the owner prefers to be on more than off, as it were, and unless the Captain is paid substantially more than the C/E to compensate for this, it could be said that his overall package is greater than that of the Captain albeit not in absolute terms.

Years ago when the economy was buoyant crew flipped from yacht to yacht in a bid to bolster wages. Today the Crew Network report, "We have noticed that there is a growing trend for captains to stay put longer because there is more supply than demand. The increasing need for qualifications and the more deck crew becoming qualified captains (without necessarily the driving experience) is no doubt encouraging this trend." Viking Recruitment suggest that, "Now that more boats are offering a rotation, this is generally keeping the crew with the same employer for longer. Rotation has definitely become more common in the last 5 years" Wilson Haligan believes, "It depends on their overall package, personal status and if there is room for progression on board. Many CVs that we receive, on the interior side, lack longevity, so on this basis we would say, no; they are not staying on board longer. There is much more choice and access to other jobs within elements of the Internet, such as social media, than there was 5 years ago. It is, therefore, easier for crew to move when they see something that looks better. Our message to crew is: "The grass is not always greener on

the other side and longevity is a big player in whether your CV stands out from another candidate. When you are considering moving on after 6 months or so, perhaps reconsider and think more about the long term gains you will have through building on your longevity."

What has changed in the last years or so is the approach crew take to yachting as a career. Crew Network say that, "Without giving a figure, there is a noticeable increase in interior crew taking the chief stewardess or purser route and getting industry qualifications for their chosen route, then transitioning into land based yachting related jobs such as crew training and yacht management. Rodney Aird-Mash, is in agreement telling us, "Most Crew these days looking at the business as a career, probably due to its expansion and higher regulation." Rupert Conner believes that, "Most of the crew that we see, who finish their registration, are serious about a career. We still see a very steady attrition rate on "green crew" who are new to the business. 80% of all registrants who have no experience will be out of the business within a year. Most don't even get their first job."



**Annual bonuses are now quite standard. The most common bonus being a 13th month pay**

Yacht services company Y.CO set up Y.CREW as a dedicated crew agency based in Antibes. Their team specialise in sourcing superyacht crew for yachts all over the world. "People are more than their qualifications, says CEO Charlie Birkett who adds, "And through working closely with captains and crew members, we ensure placements succeed long term." Birkett believes, "Salaries should rise steadily to match inflation – like any industry. I am very supportive of Captains and Crew being paid well. They are responsible for operating some of the most expensive luxury assets in the world, responsible for the safety of the guests and crew, but I also believe that salary / package should be linked to experience and not just the size of the vessel and position."

There is undoubtedly an influx of crew from poorer nations but is it we wondered, having any affect on wages in the Industry? Adrian McCourt says, "Undoubtedly," adding, "That is inevitable really. This is a global market and yacht crewmembers, like their commercial counterparts have done for several years,

**What we have seen though is an increase in the benefits offered, especially on our yachts over 60m. Some even offer educational incentives so that if a crewmember successfully passes courses to further their qualifications they are reimbursed**

will have to compete within the global manning pool. Charlie Birkett says it, "Is the same for any luxury service industry. London 5 star hotels for example. If the service and skill levels remain the same then the industry should welcome multinational crew, wherever they come from. I don't think I have seen this having an effect and nor should it."

The backpacker or good-time seeker seems to have totally disappeared from yachting in recent years but there are still occasions when opportunity beckons. Adrian McCourt reports that, "An owner's rep charged with providing lowest cost manning may still leave the door open for the casual crewmember." He adds, "What is apparent to us however, is professional Captains, Engineers and Chief Stews putting their foot down and demanding committed and dedicated manning. There seems to be less tolerance now for the casual crewmember. Professional standards are rising across the industry and it is losing its reputation, thankfully, as a staging post for the backpacker. There are good, professional people pacing the marinas every day who are prepared to commit. The better manning agents get that too. Rather than just bums on seats, the crewing agency who acts as a gatekeeper and rejects the good-time seeker will always get our vote.

Those that we interviewed make money, (some would say too much) from placing crew into positions on board superyachts. How many of them we wondered would recommend a career working aboard a yacht to a friend or family member?

Adrian McCourt was quite adamant stating categorically, "Good heavens, of course I would! Without hesitation, but for career officers, I would suggest travelling along the commercial route to get certificates without tonnage restrictions and seetime. At Y.Crew Charlie Birkett suggests, "I have and will always recommend a career in yachting to anyone who is able to commit to it. There is no space for summer workers any longer, we need intelligent, intellectual, sparty, passionate people who want to work hard.

Louise Cailbourdin says, "For the right person, yes. Someone that is obviously motivated enough to take the requisite qualifications with sea legs, physically fit, service oriented, charismatic, team playing, flexible, independent and adventurous. Rebecca Mackenzie would recommend it to someone that has the right determination, is enthusiastic and that is willing to work hard and put in the long hours required. She says, "It is a great opportunity to see some of the world where possible and on some boats, there can be some good career progression. I would not recommend it to someone that just wants to