

The 2023 shipping company barometer published - after a difficult 2023, shipping companies anticipate better

The results of the 2023 barometer clearly show intensified inflation and the resulting increased interest rate, as well as other international and Finnish economic slowdowns. After two positive years, the barometer for 2023 is clearly negative as a whole. For the year 2024, the barometer, on the other hand, expects a positive development. The annual shipping industry barometer was prepared by the research group of the University of Turku School of Economics under the leadership of assistant professor Tomi Solakivi.

The barometer's survey focused on cargo traffic was conducted as an online survey between November 2023 and January 2024. The barometer's balance figures describing the development of maritime transport exports and imports are still negative, which means that the majority of respondents to the barometer estimate that Finnish maritime transport exports and imports will decrease in 2024.

*- Since 2006, the shipping barometer has established itself as a gauge of business cycles in the shipping industry. The year 2023 was difficult in the industry, but the situation is expected to improve in the future. In terms of the industry's growth and Finland's security of supply, the key is to find solutions to the prevailing labor shortage of maritime personnel, says **Pipsa Eklund**, director at the Finnish Transport and Communications Agency Traficom.*

In 2023, sea freight prices decreased somewhat, and this can also be seen in the responses of the shipping company barometer. In 2022, the prices of shipping fuels rose significantly, especially due to the uncertainty caused by the war of aggression against Ukraine by Russia. This year, the respondents to the barometer have two views on the development of fuel prices. About half estimate that fuel prices will continue to rise, while the other half of respondents estimate that fuel prices will either remain unchanged or decrease somewhat. In addition to this, the majority of respondents to the barometer estimate that both Finnish and international manning costs have risen, and will continue to rise in 2024 as well.

*- The state of the world economy and the Finnish national economy is strongly reflected in the maritime transport market, and it is also reflected in the results of the barometer. In addition to economic uncertainty, the barometer highlights other challenges in the industry, the biggest of which are problems related to labor availability, says **Tiina Tuurnala**, CEO of Finnish Shipowners Association.*

In the barometer, the availability of skilled labor emerges as a key obstacle to the growth of shipping companies. More than 70% of respondents list the availability of skilled labor as an obstacle to company growth. The low availability of labor also affects the growth of shipping companies by increasing the company's staffing costs, which more than 60% of the barometer respondents consider as an obstacle to growth.

*- The supply of international vessel fleet is vital for Finnish imports and exports. The respondents of the shipping barometer estimated that this situation will remain. According to the barometer, the market share of Finnish shipping companies will not increase, but may even decrease. The Finnish sea transport market must therefore remain functional and attractive in order to guarantee the availability of the transport service, says **Sari Turkkila**, General Manager of Shipbrokers Finland.*

- The uncertainty factors remain with the weak economic cycle and the geopolitical situation, which inhibits investment and the green transition. It is important to highlight the importance of maritime transport for foreign trade and to give positive signals about shipping policy. There are bright spots and also more work to be done to show the advantages of working at sea, notes **Linnéa Johansson**, head of department at the business department at the Åland regional government

Check out the barometer

The shipping barometer has been published in the publication series of the University of Turku School of Economics:

<https://www.utupub.fi/handle/10024/176949>

The shipping barometer annually surveys the views of the top management of the shipping industry on the development of maritime transport and the shipping industry. In addition to Finnish shipping companies, the survey was sent to foreign shipping companies relevant to Finnish maritime traffic. The shipping barometer has been produced by the research group of the University of Turku School of Economics under the leadership of assistant professor Tomi Solakivi. Barometer has been made in cooperation with the Finnish Transport and Communications Agency Traficom, Finnish Shipowners' Association, Shipbrokers Finland and the regional government of Åland.

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