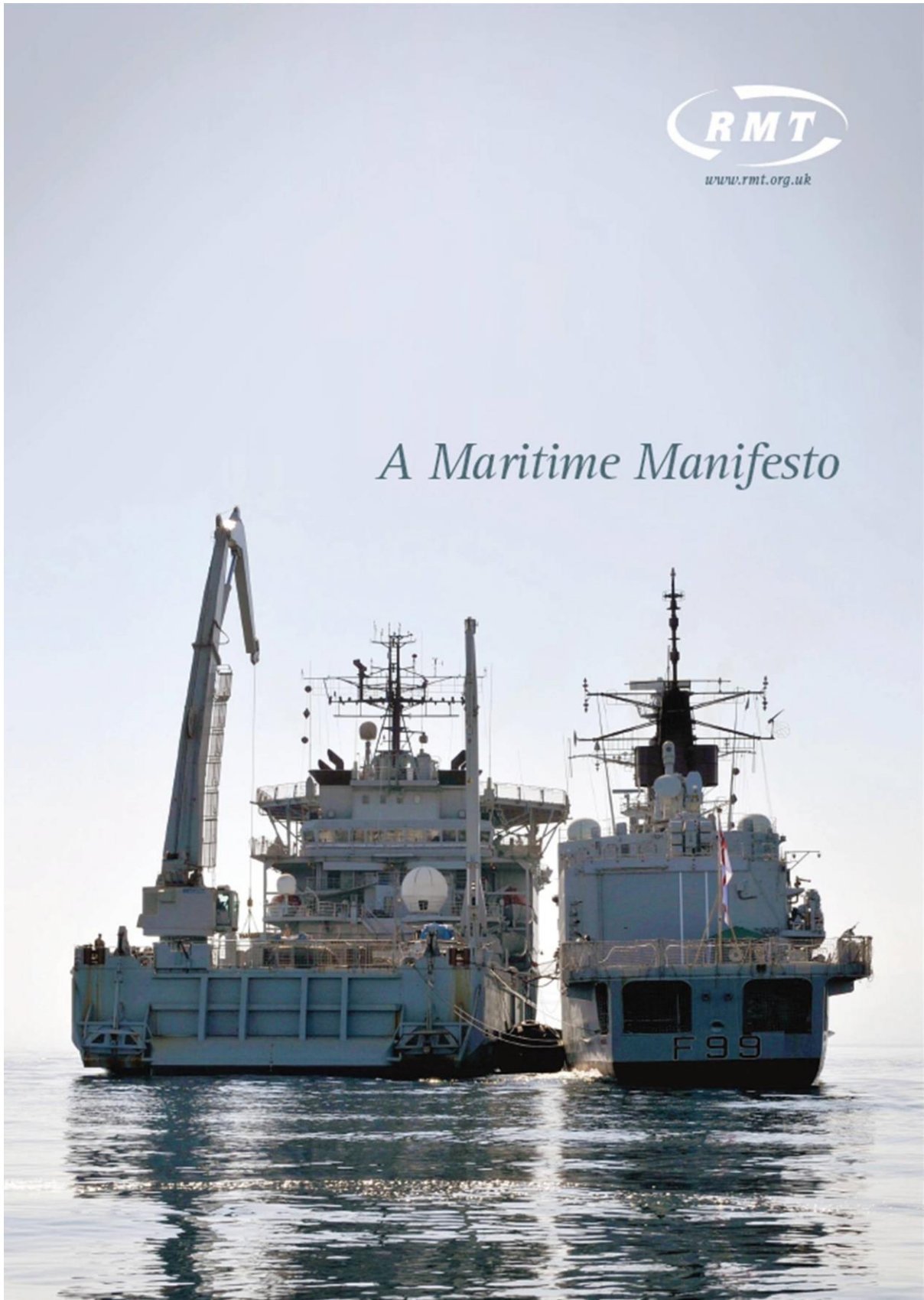




A Maritime Manifesto





Maritime Manifesto for UK seafarers training and employment

The number of UK seafarers working at sea is in potentially terminal decline. In 1982 there were over 30,000 merchant navy ratings in the industry, today there are below 23,000 UK officers and ratings active at sea. Demographics and recruitment rates mean that the UK will suffer from a maritime skills shortage by the beginning of the next decade if this decline is not addressed by Government, with serious consequences for national security, seafarer communities and the national economy.

The National Union of Rail, Maritime and Transport Workers (RMT) represent around 5,000 UK ratings at work in the industry and we propose the following policies for adoption by the next Government in order to repair the maritime skills base through the training and employment of the next generation of seafarers:

1. Equal rights to employment, equality and immigration law for UK seafarers
2. Enforcement of protections for UK flagged and crewed vessels engaged in island cabotage
3. Promotion of Government funding for ratings training and apprenticeships
4. Legislate to keep the Royal Fleet Auxiliary in the public sector
5. Review the role and responsibilities of the Maritime and Coastguard Agency

1. Equal rights to employment, equality and immigration law for UK seafarers

As the table below suggests, shipping companies operating in the short sea sector from the UK exploit the lack of legal protection for UK based seafarers to employ low cost crews from around Europe and the world, to the detriment of the domestic maritime skills base:

Ships of Shame: Seafarer rates below the NMW (Source: ITF Inspections and individual contracts of employment)

Operator	Routes	Basic rate of pay (per hour)	Flag of vessel	Seafarer Nationality	Crew (total ratings)
Condor Ferries	Portsmouth, Poole and Weymouth to Jersey and Guernsey	£2.35	Bahamas	Ukrainian	80
Streamline (MV Daroja)	Aberdeen-Lerwick; Aberdeen-Kirkwall	£2.25	Cyprus	Indian & Russian	20
P&O Ferries (Irish Sea)	Larne-Cairnryan; Larne-Troon; Dublin-Liverpool	£4.70 (passenger) & £3.65 (freight)	Bahamas & Bermudan	Filipino, Latvian, Spanish	200
Seatruck	Heysham-Dublin; Liverpool-Dublin; Heysham-Warrenpoint	£3.66	Isle of Man and Bahamas	Polish	30
Seatruck	Ullapool-Stornoway (Clipper Ranger – chartered by CalMac)	£4.19	Isle of Man	Estonian	10
Seatruck	Aberdeen-Lerwick (MV Helliard & MS Hildasay – Chartered by Serco NorthLink)	£3.66	Isle of Man	Estonian	20
Irish Ferries	Dublin-Holyhead; Rosslare-Pembroke	£5.55	Cyprus, Bahamas & Italy	Estonian & Polish	50
P&O Ferries (North Sea)	Hull-Zebrugge; Hull-Rotterdam	£4.70	Bahamas	Portuguese	300
Stena Line (North Sea)	Harwich-Hook of Holland	£2.39 (freight)	UK	Filipino	60

If left unchecked, these practices, as well as having national security implications will leave the UK without a domestic workforce capable of operating or servicing a diverse range of shipping, with unwanted social and economic consequences, especially in port and isolated communities.

Three straightforward legislative reforms would revive seafarer numbers and repair the national maritime skills base, averting a damaging skills shortage in the maritime sector:

- Implement the Carter Report's recommendation for outlawing all forms of pay discrimination on UK ships¹
- Enforce the National Minimum Wage Act 1998 for seafarers
- Jobs on vessels working from UK ports to be included in the Work Permit skills test

2. Protection introduced for all island cabotage reserving such trade to UK flagged ships

The UK Government should enforce the existing protections available from European island cabotage legislation order to protect jobs and UK flagged vessels engaged in ferry and freight operations along the UK coastline, including island communities. This is based on the recommendation by Professor Helen Sampson of the Seafarers International Research Centre at Cardiff University in a report, *Maritime Futures* commissioned by RMT into international seafarer training and employment policies.

EU law currently permits member states to limit provision of island cabotage to national-flagged vessels and protection for domestic crew but excludes cargo vessels over 650gt which enables maritime freight companies to recruit non-UK crews to work on vessels trading between UK or Red Ensign Group ports. RMT propose that the next Government bring these vessels in to the scope of island cabotage protections. This would boost UK seafarer employment and obtain a better deal for taxpayers from the Tonnage Tax concessions that these shipping companies quite rightly qualify for.

RMT also call for an end to the regular re-tendering of ferry services which disrupts continuity of employment and lifeline public services.

The USA's Jones Act which reserves all coastal trade to US built, crewed and flagged vessels provides a useful precedent, demonstrating the importance of the merchant navy to countries with major coastlines. Similar protections for UK flagged and crewed vessels would substantially revive seafarer employment, including in major maritime ports where working at sea is no longer an automatic career choice for young people, amongst whom unemployment rates are highest and rising.

The following policies would achieve this aim in a sustainable and economically responsible manner:

- Enforcement of island cabotage protections to protect UK flagged and crewed vessels
- Inclusion of all cargo ships trading between UK ports in island cabotage protections
- Exclusion of domestic ferry services from re-tendering requirements for public contracts

3. Promotion of SMarT and Tonnage Tax training and apprenticeships for ratings

RMT welcome the current Government's agreement to include UK ratings in the core training commitments required of Tonnage Tax companies, following the joint proposal from the maritime unions and the Chamber of Shipping. Since the Tonnage Tax was introduced in 2000, shipping companies have enjoyed a tax break of over £1.45 billion.

The training link to ratings is a step toward achieving a better deal for seafarers and the UK taxpayer from the scheme. This change is a pilot and will be reviewed in 2018. RMT believe that the training

¹ <http://assets.dft.gov.uk/publications/pgr-shippingports-shipping-diffpay-pdf/report.pdf>

of ratings should be mandatory for shipping companies in the Tonnage Tax and this permanent change should be made at the earliest opportunity.

We also recognise the recent progress in developing ratings apprenticeships, through discussions between Government, the industry, colleges and maritime unions, although this route in to the industry for new ratings is not yet available.

The Government's Support for Maritime Training (SMarT) scheme continues to provide £15m annual funding. Well over 90% of that is spent on officer cadet training but the remaining amount, set aside for ratings training and rating to officer conversion, is largely unused by industry.

Building on these measures with targeted policies would increase the number of seafarer ratings and officers coming into the industry every year. This is essential for the UK's future seafaring capacity as the workforce is aging. For example, over 70% of deck and engine ratings are over 40 years of age.

Small numbers of ratings are being trained every year, mainly in the public sector by Caledonian MacBrayne and the Royal Fleet Auxiliary. A major increase in training and employment of UK ratings, across the industry could be achieved with the following policies:

- Make ratings training a mandatory part of the Tonnage Tax scheme
- Promote SMarT funding for ratings training and rating to officer conversion
- Promote ratings apprenticeships in deck, engine, catering and electro-technical through Government, employers and maritime colleges

4. Keep the Royal Fleet Auxiliary in the public sector

The consequences for national security of a diminishing maritime skills base are felt most keenly at the RFA, the civilian organisation tasked with re-supplying and re-fuelling Royal Navy ships and crew when posted overseas, off the coast of Sierra Leone or the Persian Gulf, for example. The RFA is the largest employer of Merchant Navy seafarers in the country and has been repeatedly threatened by the Treasury with privatisation in recent years.

Cuts to RFA staff and in the wider Merchant Navy, combined with industry demographics, suggest that the Royal Navy would struggle to procure ships staffed exclusively by UK seafarers, particularly in the event of a future military operation. It is widely accepted that the support provided to the Falklands taskforce in the South Atlantic in 1982 would be impossible today due to the shortage of UK based ratings and officers and the lack of diverse shipping in the merchant fleet. Yet the Ministry of Defence does not monitor trends in seafarer training and recruitment or fleet diversity which have a direct impact on the Royal Navy's operational capabilities.

The rights of civilian staff at the RFA, not to mention across the public sector, have been infringed by the current Government's policies toward trade unions. Given the nature of seafarers work in the RFA, when they can be away from home for months at a time, the attacks on pay roll subscriptions are particularly damaging to industrial relations. These should be immediately restored as an option for trade union members and their colleagues, as they should be across the public sector as a whole.

It is, therefore essential for national security reasons to retain the RFA in the public sector and to dramatically increase the number of new officers and ratings coming into the Merchant Navy. The following policies would secure the future of the RFA as part of a thriving maritime sector:

- Legislate to prevent the privatisation of the Royal Fleet Auxiliary
- Establish a Maritime Industry Monitoring Group in the MoD to monitor the impact current industry employment and other trends would impact on operational capability
- Retain the option of payroll deductions for trade unions in the RFA

5. Review the role and responsibilities of the Maritime and Coastguard Agency

The safety regulator in the maritime industry, the MCA has an excellent deserved international reputation for quality and high standards. Yet this national success story has been subject to swingeing cuts to staff and budget by the current Government which call in to question the ability of the regulator to discharge statutory duties which include all aspects of maritime and seafarer safety. For example, the number of ship survey and inspection staff has fallen below 1,000 for the first time since the MCA was created in 1998.

In addition, the MCA administers the Red Ensign – the UK shipping register. Despite the major success of the Tonnage Tax in attracting ship owners to register their vessels under the Red Ensign, the shipping industry is committed to reforming the MCA to make it easier for ship owners to register in the UK. This inevitably puts the Red Ensign in competition with flags of convenience (FoC) that attract ship owners by only applying minimum international standards, with negative consequences for seafarer and maritime safety.

The MCA is also responsible for safety compliance of ships registered with Red Ensign Group flags – comprised of Overseas Territories and Crown Dependencies which are effectively FoCs, such as Bermuda, Isle of Man and the Cayman Islands. These flags effectively piggy back on the UK's compliance with international shipping conventions to successfully compete with the UK flag, including for prestige vessels such as the Cunard fleet of cruise liners which celebrate their 175th anniversary this year.

RMT believe that safety and commercial responsibilities in the maritime industry, which remains one of the most dangerous to work in should not sit together in one regulatory body. We support the Transport Select Committee's recommendations² for an independent review of the MCA and a review of the MCA's support to REG flags, and regret that the Government rejected these.

To address these legitimate concerns over the MCA's role and responsibilities, RMT believe that the next Government should announce an immediate review of the MCA which would cover:

- The impact of budgetary and staffing cuts since May 2010 on the MCA's core duties
- The inspection and survey regime applied to Red Ensign Group registers
- Equalisation of seafarer health and safety representatives' rights with those of land based health and safety reps

² Recommendations 5 and 12 Transcom *Forging Ahead: UK Shipping Strategy* HC630, March 2014