



# Transport Committee

## Oral evidence: [Maritime 2050: implementation, objectives and effects](#), HC 160

Wednesday 25 May 2022

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[Watch the meeting](#)

Members present: Huw Merriman (Chair); Mr Ben Bradshaw; Karl McCartney; Grahame Morris; Gavin Newlands; Greg Smith.

Questions 140–183

### Witnesses

[II](#): Martyn Gray, Executive Director, Nautilus International; Darren Procter, National Secretary, National Union of Rail, Maritime and Transport Workers; and David Tournay, Secretary, Maritime Skills Alliance.

Written evidence from witnesses:

- [National Union of Rail, Maritime and Transport Workers \(RMT\)](#)
- [Nautilus International](#)
- [Maritime Skills Alliance](#)



## Examination of witnesses

Witnesses: Martyn Gray, Darren Proctor and David Tournay.

Q140 **Chair:** The last of our seven sections is on people—not last deliberately, but perhaps saving the best for last. Could I ask our three witnesses to introduce themselves for the record?

**David Tournay:** Good morning to you all. My name is David Tournay. I am the secretary of an organisation called the Maritime Skills Alliance.

**Darren Proctor:** Good morning. I am Darren Proctor, national secretary of the RMT union.

**Martyn Gray:** Good morning. I am Martyn Gray, executive officer at Nautilus International.

**Chair:** Good morning to all three of you. Are there any declarations of interest from Members?

**Grahame Morris:** Chair, I am a member of the RMT parliamentary group. I know Mr Proctor and have shared platforms with him on a number of occasions discussing maritime policy.

Q141 **Chair:** Thank you very much indeed. I will start and then hand back to Grahame. The Department for Transport told us that since Maritime 2050 was published the industry and Government have been working together to drive forward the ambitions of the strategy under the people theme. What progress have you seen in that regard, Mr Proctor?

**Darren Proctor:** Unfortunately, we have seen very little progress. As a trade union we go round the various ports. We look at the individuals who are on board vessels in the various sectors. In the offshore sector specifically, there is probably less than 5% local labour on board those vessels. In the ferry sector, it is probably 20% or 25%. I am sure that P&O will come up at some point later today.

**Chair:** They may well do.

**Darren Proctor:** There is a theme that that has set generally within UK seafaring and wanting to be a seafarer, boundaries, and getting other individuals in. The national minimum wage came in to assist in October 2020, but we did not see the guidance come out until February this year. When the guidance came out, it was identified that the renewables sector was not part of that. The exploration and exploitation of the seabed only included oil and gas and not wind.

When we go round the renewables ports and speak with individuals, they are not feeling any kind of job security. In essence, there is still a long way to go to realise the ambition of Maritime 2050.

Q142 **Chair:** Mr Gray, do you agree with that? Do you have any differences or anything to add?



**Martyn Gray:** In part I agree with what Darren has had to say. It is important to mention the work of the maritime skills commissioners in putting forward people and progress, and the work that has been done there. There is a lot more work to be done to realise the ambition of Maritime 2050 and the plan there.

Industry has been slow to respond to some of the needs of people and progress in skills and development, but we hope to see more coming through from the Maritime Skills Commission. We hope to see more coming through on the theme of people and progress. It is important that Maritime 2050, which started with such a central focus around people, innovation, upskilling and making the people element such a core tenet of the strategy, is realised and kept at the heart of each and every review that happens so that we can realise what the Government's strategy is.

Q143 **Chair:** Mr Tournay, you have been appointed as secretary to the Maritime Skills Alliance. How do you feel that the sector and Government are working on Maritime 2050 and on people and on skills?

**David Tournay:** From an MSA perspective, I think we are pleased with the progress that has been made, to a certain degree. It has been an impetus to get members of the industry around the table to actually talk about common skills needs, rather than doing it in a very fragmented way. I think that is very positive.

Obviously, there are still some challenges. I sit on the Maritime Skills Commission as well, and that is something we need to address. Bearing in mind my own background, working in many other industry sectors as well, I certainly welcomed the structures that we now have in place to try to address some of those issues, which I have not experienced before in other sectors.

Q144 **Chair:** Is one of the by-products of Maritime 2050 that it has actually drawn everyone together as a community?

**David Tournay:** Certainly. We now have different parts of the maritime industry actually talking to each other and trying to learn from each other from their skills and experience—"Well, how do you tackle that problem?"—rather than trying to plough their own little furrow or operate in a small silo.

**Chair:** Thank you all three for the opener. I hand over to Grahame Morris.

Q145 **Grahame Morris:** Thanks, Chair, and welcome to the witnesses. As part of the scene-setting and preparing for the inquiry, the Committee visited the offices of the International Maritime Organisation just across the Thames. The UK still has a leading position in design, naval architecture, reputation, standards and so on, but it is absolutely apparent that from being a proud seafaring nation, with tens of thousands of British seafarers manning the merchant marine, the industry seems to be in a terrible spiral of decline.



What can be done? What can the Government do to address that and put it into reverse? You mentioned that there are huge opportunities in the North sea with the renewables sector, if the regulation, the impetus and the policy go in the right direction. Can I start with you, Mr Tournay?

**David Tournay:** You are right. It was really interesting listening to the evidence being given a few minutes ago about technology and how it is going to have an impact. Certainly, one of our major tools at the moment is in skills development to support that growth. It is all very well designing the technology, but you have to have people somewhere or other to manufacture and operate it. I think there will be some challenges in that regard with regulation getting in the way of training provision being set up to support that. I think that is a major problem.

In some of my work at the moment, we have started to look at that. It is all very well designing apprenticeships that might reflect different things that you think are in growing and emerging areas, but if you have no one who can deliver it, you are on a hiding to nothing. There is a real problem about how we actually get the organisations that hold that knowledge and expertise to operate in a training delivery-type of environment.

Another example we have of the regulation getting in the way came from one of our members recently. They are based in Scotland. There is a massive disparity in the funding in Scotland for apprenticeships related to workboat crews—they tend to operate on offshore wind turbines and all the support for those—and what you would be able to gain in England. Therefore, it has become uneconomic to deliver that sort of training within Scotland. Obviously, with COP26 that is very important. It is certainly an area where we want to see the growth of that sector, but at the moment there is not going to be a way of training people to enter that sector.

Q146 **Grahame Morris:** You are characterising regulation as an impediment and a fetter to growing the industry and the sector. I am thinking of some examples from recent history in my own constituency. The GT Group had the vision to see the changes that were coming in on emission controls and clean air regulation, not just in the UK but across the world. They got in early on the curve and were very innovative. They came up with a retrofitted design for diesel engines that generated hundreds of jobs in my constituency. Regulation is not of itself necessarily a bad thing if it is driving in the right direction.

**David Tournay:** I agree with that. I just think that at the moment the regulation around how we identify organisations that are suitable for delivering high-quality training, and how they therefore access the funding that is appropriate for it, is not necessarily lined up with what industry requires. The industry has very little input into selecting the organisations that are approved by Government bodies to supply that training. There is a real mismatch.



The other problem with that, particularly when we look at very emerging and niche sectors, is that it is not viable to deliver training in that area. They say, "Hang on, we need a minimum group size," or something along those lines. A provider will not pick that up because it is too big a risk for them.

**Q147 Grahame Morris:** Can I put that question to Darren? Surely it is predictable. Whether it is Irish Ferries, P&O or whoever, they must have the numbers of the cohorts of seafarers and the age groups. Surely, they can predict the requirements for training for new seafarers. Is the issue terms and conditions? Is it the insecurity that we are not attracting enough people? Is it lack of training opportunities and innovation hubs?

**Darren Proctor:** Good question, Grahame. There are a number of concerning points. First and foremost, the maritime industry has become reliant on almost a conveyor belt of exploitation. It is not permanent staff who would be there for 20-plus years, and you could monitor the age and then say, when individuals are getting to a certain age, "We need to invest and backfill those positions." They are just bringing them in.

The barrier is the rates of pay. If you are paying an able seafarer, whether it be £3.78, £1.75 or some of the rates that are being paid in the ferry sector, those companies are not going to take on an apprentice because they do not want to pay a decent day's pay for a permanent job when their model is built on a voyage contract with no pensions and low pay. When individuals go and find a job elsewhere because they have experience, they backfill that. It is a kind of conveyor belt of abuse. That is one of the areas we need to look at. That is why we have been in discussion regarding P&O and a fair ferries framework agreement. If you look at other areas and other sectors—I mentioned offshore oil and gas—it is not easy for a seafarer to go from one sector to another. You have different training bodies, whether it be GWO or OPITO, on top of the STCW. Making that transition is somewhat problematic.

I heard the previous speakers say that we are struggling to get skilled seafarers. There seems to be this myth in the UK that it is difficult to get a seafarer. I know a ferry company that has just advertised 50 jobs and there were 1,800 applications. It is not that individuals do not want to go to sea. It is about companies not wanting to train UK seafarers and invest in the training, which is why we are in this position now. It is something we need to look at, to overturn that and ensure that we can train local seafarers and have them contributing to the local economy.

**Q148 Grahame Morris:** I will put the same question to Martyn in relation to the barriers and impediments to recruiting seafarers. Do you have a similar perspective to Darren in respect of wages and terms and conditions?

**Martyn Gray:** Wages and terms and conditions are a factor in wanting to recruit skilled seafarers. There is a global shortage of skilled officers in terms of the numbers, and that gap is widening, based on analysis.



Q149 **Grahame Morris:** Is there an age issue as well? Do we have an ageing cohort of officers in the maritime sector?

**Martyn Gray:** We do. We have a strange situation where there are a large number who are approaching the end of their career and a number who are near the start of their career, with very little in the middle. That comes down to previous Government policy that did not allow for support for maritime training. Support for maritime training came in during the 1990s and 2000s. It was developed and has since facilitated extra investment in training, but it is not enough to fill all the roles that exist.

What we can look at doing about that is recognising the evidence that has come from the Maritime Skills Commission about the value of SMarT funding and how every pound that the Treasury invests in SMarT funding returns over £4. SMarT funding accounts for a payment of about £18,000 towards an officer's training, which costs somewhere between £60,000 and £70,000. Doing the mathematics on that, with a full 100% cost of training, the Treasury would still have a net return on the investment in maritime training. You could increase the training bill and still get more back as a net investment into the future of UK maritime work structures.

There are other barriers to the training and recruitment of seafarers. There are flag links, or a lack of flag link. There is no shortage of opportunities on the UK ship register, but there is also not a shortage of those operating with certificates of equivalent competency. We have enough skilled seafarers in the UK to fill roles on UK-flagged vessels, but those operating with certificates of equivalent competency from other nationalities are still able to come and operate on lower salaries than we would typically see UK-resident seafarers wanting to be paid.

Q150 **Grahame Morris:** Last week, on Thursday, we had Transport oral questions. Questions were asked about the Government's Harbours (Seafarers' Remuneration) Bill. In fact, I asked the Minister during the Queen's Speech about the scope of the Bill and whether they were going to address the anomalies in relation to the UK continental shelf. He said, "We are hoping to look at those in the Bill." Is that an area of concern to you as well?

**Martyn Gray:** Yes. We need measures that will mean there is fair pay for those who work at sea, and that we have control over those who are working at sea and around the UK coast. The Maritime 2050 plan is to revitalise and re-energise the maritime sector in the UK. It has enormous growth potential and enormous ability to level up coastal communities, but we need control measures in place. We hear a lot about regulation being a hamper, but regulation can also be a tool to help, support and guide growth and innovation and where things can lead. It needs to be people-focused growth and innovation that puts coastal communities and maritime professionals at the heart of the maritime strategy.

Q151 **Grahame Morris:** If we follow the advice, and look at the evidence that the Committee has received so far about the benefits of the maritime



innovation centres, there is the potential to train seafarers, specialist maritime engineers and people with the right skills the maritime sector needs, but if employers continue to flag their vessels with other jurisdictions and have those equivalent qualifications, it will be a wasted effort. The opportunities will not be there for people who are training in our innovation centres.

**Martyn Gray:** Absolutely. Flags of convenience are not convenient for Maritime 2050.

Q152 **Grahame Morris:** David, is there anything you want to add?

**David Tournay:** It is interesting. I was listening to the evidence earlier about the innovation centres. I see them as an opportunity for skills development and what we want to do in the UK. As I said before, if you are running one of those innovation centres and you say, "Okay, we want to set up a training arm for what we do," your barriers to actually doing that, due to the bureaucracy around becoming an approved provider, are quite considerable. It is all right if you are doing large volumes in certain areas, but if you want to do something very specialist, very new and very niche, you are going to be hampered.

Q153 **Grahame Morris:** A number of questions have been suggested in relation to making the sector and the industry more attractive, being more diverse in the recruitment process, recruiting more women, being more reflective of our communities and particularly recruiting younger people. Is there a point that you want to make to the Committee in relation to addressing the other issues, such as flags of convenience and regulation? There are issues of diversity, recruitment and making the industry attractive, but if we are not addressing the issues of secure employment—even down to roster patterns and so on—and the opportunities are not attractive, why would anyone in their right mind go into that?

I am not leading the witnesses; I am just suggesting that some of the questions that have been put forward seem to miss the fundamental point about the nature of the job opportunities and employers taking the option to employ cheap labour from overseas.

**Chair:** We will just take one of you, if we may.

**David Tournay:** The way you describe it is as one or the other, but I see it in terms of saying, "Yes, there are some negative stories about working in the maritime sector?" Yes, of course, it is the elephant in the room and of course what happened at P&O is incredibly disappointing in the image it portrays about long-term secure employment and careers in the sector.

Obviously, we want to address that in some way or another, as a broader sector. At the same time, we are progressing on increasing a more diverse workforce, which is incredibly positive. I know of examples in my local community where we have lots of offshore wind turbines off the Essex coast. I know a number of skippers who are female and working in that environment. They are young people. It is almost their first or early



career in the sector, and they are progressing and moving on. That is incredibly great to see for a region that was very much on a downer as shipbuilding died off. There are some real positive things as well.

**Q154 Grahame Morris:** Finally, can I put one question to Darren Proctor relating to the written evidence the RMT provided to the Committee? In the written evidence it says that Maritime 2050 lacks “scope and ambition” and “regulatory bite”. That is for British seafarers and for British ratings. What would you like to see added to that particular element of Maritime 2050—the people strategy—that would assist British ratings?

**Darren Proctor:** First and foremost, there has to be recognition that UK ratings make up only 12% of UK seafaring statistics. We have to look at why that is. I touched on some of the points previously and made reference to the ferry sector, where you have employment methods of voyage contracts and no job security. We have to change that. We talk about innovation and moving forward as a maritime sector. Seafaring is the bedrock of the maritime sector. Individuals start off as seafarers. They might start off as a rating. They might progress as an officer. They might go shore-side and they may go into other areas of the maritime sector. We need to make sure that we address that.

In order to address it, we have to recognise that the industry, from a rating’s perspective, is built on layers of exploitation, as opposed to investment and opportunity, in many of the ports, whether it be Hull, Liverpool, Dover, Glasgow or Aberdeen. Now, we are seeing the emergence of the renewables ports. The question has to be asked: why would a company bring someone from the other side of the world to work on board a vessel operating between port A and port B? The reality of it is to get round the loophole of “ordinarily resident in the UK” so they can pay them whatever they want because there is no minimum standard. They do not have to pay them a pension. There is no job security, and it just continues.

We also need to have a little look at the funding element, which Martyn touched on, the tonnage tax and the flags of convenience. A perfect example is the Cypriot flag. We had issues with many of the Cypriot flags, particularly in the ferry sector during Covid, and raised issues of health and safety. We emailed them. We phoned them personally. As the national officer responsible, I contacted them. Not one single response.

We now have a situation at P&O Ferries—Cypriot-flagged vessels—where our members are still waiting for their personal belongings to be given back. We have contacted the flag state and not a single response. What are they doing? Why are they around our coast? We should be looking to have UK-flagged vessels and UK seafarers on decent rates of pay, irrespective of what their sector is.

**Grahame Morris:** Thank you.



**Chair:** Grahame, thanks. You have covered all of your questions in one go, which is great. We will come to P&O Ferries as we get towards the end of proceedings.

We are a very positive and optimistic Committee. We are really interested in how we can expand the talent pool and inspire people to join the industry. I hand over to Greg.

Q155 **Greg Smith:** Good morning to the witnesses. One of the things that struck me when Maritime 2050 was launched was the statistic that in the UK—I accept that global data is not available—only 4% of the UK seafaring workforce were women. Notwithstanding some of the answers to previous questions, what are the tangibles? What are the positives of how the sector has turned around some of the diversity challenges in the workforce over recent years and since Maritime 2050 was launched?

**Martyn Gray:** Maritime 2050 was an eye-opener to a problem that the industry knew it had. It was a very male-predominant workforce and the statistics back that up. At the launch of Maritime 2050, women were 4%. The efforts that have gone into diversifying the work that Maritime UK has done in its diversity in maritime work, and the work that shipowners, trade unions, training establishments and the industry have put together to try to make our sector look an attractive place for women and other diverse groups to want to come and work has been immense. That work still needs to continue. We are looking at a situation where the statistics are that we have more women in maritime than ever before, but still not enough. It still does not reflect the demographics of the UK. It still does not reflect the demographics of where it needs to be.

A lot of work has been done and it is fantastic work. It is a brilliant start, which we can build on, but it is just a start. It is important that while we give ourselves a pat on the back for the work that we have done, we recognise that by no stretch of the imagination is that job done, box ticked and we can move on to other things. There will have to be a long-term effort to make sure that we have mechanisms in the way we train people and deal with people returning to the workforce. It is how we deal with simple measures such as PPE on board ships. Most ships do not carry personal protective equipment that is tailored for a woman's body. Boiler suits that are ill-fitting are dangerous. Safety shoes are typically not carried in sizes that would fit an average woman's foot. We are looking at PPE equipment that would actually cause problems for people to use it. That is one of the things that has started to be addressed, but there is still a lot more work to do.

Q156 **Greg Smith:** As part of your answer, you said there were more women in the workforce than ever before. That is great to hear, but what are the tangibles? We had 4% cited in Maritime 2050. What is it now? If it is just 4.5% as opposed to 4%, that is not a particularly good news story. If it has made a big leap to 10% or 15%, something realistic, it is a genuine step in the right direction. Do you know where the numbers are right now?



**Martyn Gray:** I believe it is above 5%. I will come back to you in writing with the seafarers statistics that were published in February by the Department for Transport. It should be included in the seafarers statistics. There are some issues with those statistics. I will also include some statistics from our own membership demography so that we can give you some comparators. For our own membership demography, we are at about 8%.

Q157 **Greg Smith:** That is very helpful. On that point, I accept that the PPE point is clearly a very specific and practical thing that could change. Surely that is something that operators could change, quite literally, overnight. It is not some long-term, difficult challenge. It is ordering different sizes of things from wherever you procure the PPE. How is that not just an instant fix?

**Martyn Gray:** It is an attitude towards that. It shows that we are not prepared to have a more diverse workforce. We are making a lot of noise in committees. We are making a lot of noise having meetings and getting people together to celebrate that we have an increasingly diverse maritime workforce, but as it comes down to the deliverables, the increase is not a lot and it will take time to get there. I still have reports to me and my union, Nautilus, that we have issues with our female seafarers joining ships that do not have PPE for them. That means they are having to travel to these vessels with their own PPE to make sure that they are safe in the workplace, when they should be able to access personal protective equipment as and when required. Replacing that equipment has a long lead time on board vessels that are trading internationally.

It is that attitude. Yes, this is something that could be done very quickly, but it is not being done. That is because there is not enough density for people to see it is a real issue, inasmuch as we do not have enough of a diverse workforce for people to start recognising it as a problem, or people say one thing and try to celebrate in a positive way, but when it comes to spending the money and investing in people, they are coming up short.

Q158 **Greg Smith:** That is helpful. I will broaden it a little bit. Do you think that enough is being done to advertise and make everybody—young people, old people and people of different backgrounds—aware of the jobs that are actually available in maritime in the UK, or is part of the challenge that it is one of those sectors where people do not really understand what happens?

**David Tournay:** I think you hit the nail on the head in many ways there. It is an industry where, on the whole, my experience has always been that people just do not understand. People tend to look inwards rather than outwards. A number of years ago, I used to run a sail training organisation on the coast for the local community. When we were taking young people aboard, it was the first time they had ever been on the water and looked at their own community from the sea as opposed to the



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land. That was quite a shock to many of them. It gave you an environment to show people what jobs were there, be it at the local harbour authority, people working in marinas or people on the boats themselves. It was an eye-opener.

Maritime UK are themselves doing a huge amount of work both on the diversity angle, as we just talked about, and certainly on the career itself. That has been really positive. However, the challenge we have is very much that every other sector is shouting out loud for new entrants to its industry as well. In some ways, it is a case of who shouts the loudest. Yes, we need to put more effort and resource into that to highlight those careers.

**Q159 Greg Smith:** What are the practical things that could happen? Do we need to get something into school curriculums to get kids out to sea? What would be the tangibles to shift the dial on that?

**David Tournay:** I am pleased to say, in response to the point about schools, that we have been doing a project over the last few years with an academy school based on the Isle of Wight, which decided to push maritime, not by saying, "This is the career you must go into when you leave school," but saying, "Let's contextualise some of our curriculum to make it refer to maritime themes, be it in physics, history or whatever else it may be." Now, we are helping to roll that out to a number of other schools around the country as well.

At the very least, for coastal communities where there is a logical link, that is a very useful tool to start to highlight these things. Again, more needs to be done, certainly in our presence at careers events and careers activity across the board. Apprenticeships also help greatly with that, in that we can show that there is a very effective, organised and structured learning process that will feed people into long-term careers.

**Greg Smith:** That is very helpful. I am conscious of time, and while I could go on about this, I will hand back to the Chair.

**Chair:** Let's drill down a little more into the skills and training elements. I will hand over to Ben Bradshaw.

**Q160 Mr Bradshaw:** All three of you have been rather critical of the quality of and investment in skills and training in the sector. Given the shortage of time, would each of you say one thing that you think would make a real difference, were it to change or be introduced?

**David Tournay:** Get the ESFA to review their regulations to see that we could have more innovative providers entering the marketplace.

**Q161 Mr Bradshaw:** Can you expand on that a little bit?

**David Tournay:** If you want to be a training organisation delivering, let's say, high-end, high voltage skills, you have to go through myriad entry criteria to be an approved provider and offer apprenticeships. That is causing a barrier. We have lots of very specialist apprenticeships on offer



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in the maritime sector, but at the moment they cannot be run because providers, who perhaps come from a very professional specialist background, do not want to engage with the very high level of regulation and the bureaucracy of applying.

We also have no direct way of communicating with that organisation. I was running a marine organisation myself. It took me writing to Robert Halfon, the Chair of the Select Committee, to even talk to the ESFA. The Department for Education did not have a telephone number for them either. How do you ask the question, "Hello, I would like to be a training provider, please, to work in an innovative way"? You cannot.

Q162 **Mr Bradshaw:** Mr Proctor, how about you?

**Darren Proctor:** There have to be apprentices. There needs to be investment in apprentices and bringing ratings in. There are thousands of opportunities. You only have to look at the statistics. We do not need to be reliant on exploited labour. We can have individuals working in the local port and spending in the local community, but there has to be the desire and the political will to say, "We've got a problem. How do we fix it?" We fix it with investment and working with the unions and shipowners on how we overcome the barriers so that we can have job security and an income. The ships are not going. It is the UK seafarer jobs that have gone. The ships still remain; the vessels are working back and forth. If we need to do anything, it is investment at entry level and for apprentices.

Q163 **Mr Bradshaw:** Is that a role for Government, industry or both?

**Darren Proctor:** I think it is a role for Government in terms of the funding. Dialogue needs to be had with industry. There are companies that do not want to take on apprentices because of the barriers that we have spoken about. It also goes back to the point that Greg made. We need to do this in dialogue and put it on the school curriculum so that individuals know that they can get a job at sea with two or three weeks' training to entry-level positions, or an apprenticeship to become deck or technical ratings.

There is also progression planning. When a seafarer or rating goes to sea, they do not have progression planning. If they do not have progression planning, they do not see it as a career but as a job. There is a lot of scope, but we need to have the conversations and recognise where we are.

Q164 **Mr Bradshaw:** Mr Gray?

**Martyn Gray:** Full funding for maritime training. There is a strong argument that it will return more to the economy than it will cost. Full funding for training needs to come from the Government, with a centralised plan on how we get the seafarers we need, be those ratings, shore-based or officers actually on ships. The maritime sector in this country adds more to the economy than it costs. It is a huge amount of



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gross value add to the economy. Full funding of maritime training is key to delivering most of the ambition in Maritime 2050. Without it, we are going to start to run short of the people we need to follow the plan through to the end and to start thinking about Maritime 2100.

**Mr Bradshaw:** Thank you.

Q165 **Chair:** I do not want to delay proceedings because we are moving at a good pace, but, Mr Gray, perhaps you could help us. Excuse my ignorance. In terms of who currently pays for the training, we have airlines where the individuals are, effectively, paying for themselves to become pilots, but in the coach sector the companies are paying. Where does maritime sit in terms of who pays? Is it the employer or the employee? Are you saying that the Government should?

**Martyn Gray:** I will try to give you a simple answer to a very complicated question. I fear I will need to write back to you with the detail.

Q166 **Chair:** Could you? I am pleased it was a complicated question rather than a stupid one, on that basis.

**Martyn Gray:** In short, there are a lot of different mechanisms. Some of it is through SMarT funding support for maritime training, which the Government have increased to £30 million by 2024-25, according to the Maritime 2050 plan. What we are actually seeing come through from that is that there is some through tonnage tax, which is a favourable rate of taxation for operators in training and some is from operators themselves. It is a complicated array where elements are Government supported, elements are privately funded and elements are Scottish Government supported, for example, because in Scotland the Scottish Government fill in the gap in funding between what SMarT and operators provide and what moves forward with that. What I am saying is that the Government should fully fund maritime training in this country.

**Chair:** What would be great is if you could break all of that down, if that is not too much to ask, and then add your proposals. That would be super. If either of the other witnesses wants to do likewise, we would welcome that. Thank you.

We have two more sections. The first, as we touched on with the last panel, relates to the challenges in adapting to new technology. I will hand over to Greg for that.

Q167 **Greg Smith:** Thank you. Clearly, the skills agenda is going to have to meet the challenges of changing technology. I think you were all present for the first panel. We heard about the changing landscape, with the growth in AI and technology in the maritime sector. In a previous evidence session, we heard from the port of Tyne that in 20 or 30 years' time they will need "more software engineers...in the port than crane drivers."

I appreciate that sometimes there is some controversy over whether that



is a good thing or not, but if we just take it as read, as evidence we have heard, can you give us a brief insight into the challenges that that new technology and innovation coming into the sector will pose for recruitment and retraining? Putting aside who pays for it and who funds such training, how can the challenges of that realistically be met in a timeframe where the UK does not get left behind, particularly by other particularly emerging economies?

**David Tournay:** I will start to answer that question with an example that I came across only about two weeks ago. I was in Belfast visiting a company called Artemis, which is quite well known in the marine sector for its innovation work. It is developing foiling electric-powered work boats. You literally fly to your work, almost, rather than having a diesel engine on board pushing your boat through the water.

The first question I asked was, "Okay, guys, what skills do we need to start preparing for people to be able to use this?" It was just straight, high voltage. People need to know about high voltage-type skills, a very different type of environment, let alone the different materials that are being used for building the vessels, such as carbon fibre, which has a knock-on effect on how those vessels are maintained in the future.

To answer your question about how we adapt to that, we need to make sure that the learning programmes and qualifications that we design to stimulate the training are very much looking forward, as opposed to looking backwards. That requires us to keep a close eye on what the technological development is. Artemis is a good example. We have also been talking to people developing autonomous vehicles and all sorts of things along those lines.

It is really about us using labour market intelligence and market data to look into the future for what the skills requirements are in 10 years' time. I cannot do anything about today, but I can do something about what happens in 10 years' time. We need constantly to look into the crystal ball and be really informed about what the skills development requirements are.

On top of that—I am not going through the whole thing—how we have organisations that can deliver that training is also critical. What players do we have in the market who have the right knowledge themselves to deliver it? We can put lots of money into training, but there is no magic cupboard that we can open where there is a fully-formed and well-informed person who can deliver skills training. We have to create the person who can do that, or the system that can do that. That is our challenge. It is about being informed and making sure that we are prepared for it in terms of not just the qualifications and the training content but the people who can deliver it.

Q168 **Greg Smith:** That is helpful. Mr Proctor?



**Darren Proctor:** Moving forward with technology, we need to make sure that we have the skills base. It is the point I made before. The seafarers have that underpinning knowledge. The fear is that we could move forward but we do not have the local skills. That is why the investment comes in. There are always going to be parts of the maritime sector where, while there might be technological advances in the ferry sector or the cruise ship, passengers will always want to see people. They want to be served food, and so on. That is an element we need to continue.

If you look at the SCTW training, some of the elements contained in that become bureaucratic to develop. I do not think the training regime, as my colleague was saying, is moving quickly enough to develop those skill bases, if you look at green fuels and some of the other stuff that is going on. There needs to be a focus on ensuring that. If you come into the industry, you might start off in one thing and you might end up in another, but there is a job right the way through the lifecycle, so you start off seafaring wherever you end up in the maritime sector because it is the foundation of the maritime sector. That is something we need to monitor and develop.

Q169 **Greg Smith:** I have one, last brief question in this sector. I went to an exhibition that Rolls-Royce put on yesterday. Other technology companies are available. They showed me the designs for a mini reactor that fits into a cargo container and needs to be refuelled every 10 years. It could be put on a ship to power it. Clearly, there will have to be some significant skills change on vessels if that is to become a future solution to powering vessels and everything that happens on a vessel.

Do you have a worry that in 10 or 15 years there will be some incredible technology that could secure the future of maritime, but we just do not have the people around it that are skilled enough to be able to look after a mini reactor on a ship, or whatever the technology may be? Is there a real risk that technology could outpace the skills gap so significantly that we get left behind?

**Darren Proctor:** I think that has already started to happen, if we are being honest. That is the reality of the situation we are in. That is why we need to invest in people now, to get them skill based in the development of the various technologies. Certainly, from an officer's perspective, they are probably going into those areas now, as opposed to a life at sea. How do you say that it is about the lifecycle of being employed in the maritime sector?

All the modern technology is great until it goes wrong, and that is when you need the individuals who have the underpinning knowledge to rectify something. What happens if the internet signal goes out, for example? We see all these modern devices, but what happens then? It is about ensuring that we have the back-up, skills and knowledge to be able to adapt to that.

Q170 **Greg Smith:** Very helpful. Thank you.



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**David Tournay:** Also, on that point, it is recognising the fact that, yes, there is training of new entrants to the industry, but it is also about transitional training for people who are already employed. We do not want to lose those people because we worked hard to get them in the first place. We need to make sure that there is transitional training to develop people from one particular marine engineering technology to another, and they can transition across, rather than being told, "You are not relevant any more, bye-bye." We do not want that at all. We need a mechanism to make sure that we can transition people across.

**Martyn Gray:** It is important that we recognise that investment in innovation happens all the time. If Government investment to do clean maritime development is happening, why is that not being paralleled in education? Innovation and education have to move at the same pace, otherwise the whole sector will fall down. You cannot have innovative new technologies with nobody able to operate them. You cannot have a highly skilled workforce still operating in the technologies of 100 years ago.

It is really important that when we look at funding, innovation and research and development, all of that value add has to match pace, so that we are levelling up people as well as the technology to make sure that the sector is improving, evolving and developing to where it needs to be. We need to make sure that education matches pace with innovation. That is the way to keep people as the focus of Maritime 2050 and deliver its ambition.

**Greg Smith:** Thank you.

**Chair:** Our last section is on the social framework. The questions will come from Gavin Newlands.

Q171 **Gavin Newlands:** Before we come to the P&O issue, the Maritime 2050 paper proposed a social framework for welfare among the UK maritime workforce. What progress has been made in that endeavour? Perhaps that is a question for Mr Tournay, because I suspect that Mr Proctor and Mr Gray might feature heavily in the rest of this section.

**David Tournay:** I shall be quite brief. Obviously, in all our work on training what we are trying to do is highlight best practice. That is best practice not just in technical skills but in communication skills and working with the other people around them. From the careers point of view, it is making sure that people see the industry as a positive one, that cares for its staff and employees, and wants to develop them for the future.

It is probably fair to say that we are trying to put those messages across as best we can. However, in the light of the conversation that I think you were alluding to, it makes things very hard. I will leave it at that.

Q172 **Gavin Newlands:** Mr Proctor and Mr Gray, are either of you aware of any real progress towards a social framework?



**Darren Proctor:** There has been limited progress made on the social framework. If we look at some of the big issues on board vessels, mental health being one of them, some companies are dealing with it much better than others. Best practice in one company is not necessarily the industry. We have to give companies nudges and say, "Look, what are you doing?" Health and safety generally in the maritime sector is a tick-box exercise, if we are honest. It has become a very paper-driven industry, as opposed to the focus being on the role of the reps and the safety committees on board, driving the safety culture forward in other elements.

Obviously, those are some of the points that are being brought up in the fair ferries framework agreement going forward and are areas that we can develop. I think there is still a long way to go.

Q173 **Gavin Newlands:** In terms of the Government's Maritime 2050 aims, given the current landscape, or seascape, of the UK maritime sector, with so many ships being foreign owned and/or foreign flagged, is it possible for the Government to achieve their 2050 aims?

**Darren Proctor:** Anything is possible, but there has to be a real desire. There has to be political will. We need to look at it. We need to accept the boundaries that we have and the hurdles in front of us. We have identified that there are huge opportunities, but we do not want to be sitting in meetings where it is waffle as opposed to real, driven agenda items. It is what we can pursue, and identifying companies that are not cutting the mustard, not delivering and that, quite frankly, do not want to deliver. They just want to continue with their business model and practices on board. As long as it delivers profit for them, they are happy. I think that is what we need to identify, to be able to drive out the bad practices.

Q174 **Gavin Newlands:** Mr Gray, would you tend to agree with that?

**Martyn Gray:** For the most part, certainly. It is key to look at what the strategy gave, which was leadership and guidance moving forward. What we need to see now is that leadership and focus disseminated more at local level, so that different sectors with different constraints in different areas of the country can focus on the parts they feel they need to focus on. With local leadership, where communities build in, we can get the buy-in and improvements that are needed. You have the overarching national strategy, but we need better and more thorough engagement coming through from local level, through the regional clusters, which are starting to come together, and we need to build on that. We need to make sure that it is local.

In terms of the social framework and how that builds in as well, we are seeing improvements. There are some efforts that some companies are going towards, but we as an organisation have stepped in to make sure that mental health support and support for individuals is available there. It is not being carried out in the social framework. We are still having to



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remind companies of their obligations to their seafarers and seafarer welfare. We still have to do that.

What we want is for our members and for seafarers and maritime professionals to be treated with the dignity and respect that they deserve. What we are starting to see is that there are some that are leading the way on that and recognising it. There are some, which I suspect we will be moving on to shortly, that have shown that that is not the direction they are moving in.

**Q175 Gavin Newlands:** Nicely put. It has been quite a few weeks now since Mr Hebblethwaite came before our Joint Committee with BEIS. Many of us sat agog at the arrogance of his answers, almost boasting that he broke the law and that he would do so again. The Government, to their credit, quite quickly came up with a nine-point plan to address the issue in response. How do you assess that response? What do you like and what do you dislike?

**Martyn Gray:** The movement towards equalising rights of seafarers, certainly around the UK and workers and employees in the UK, and equalising the protections available to them, is one of the underpinning ambitions of that response. Seafarers should not suffer detriment just because they happen to work on a ship. It seems such a ridiculous sentence to have to say, but up to that point, and still now, because we are still waiting for legislation to come through, seafarers can be treated very differently from how other employees in the UK can be treated. It addresses that issue.

There is more that needs to be looked at, and there is more to this picture than just the national minimum wage. There are safety at sea issues that need to be addressed. There are training issues that need to be addressed. There are a lot of things in the plan that are a start on a large number of the problems we have that will require a lot of international co-operation and collaboration. The nature of our industry is that it is an international industry. The nine-point plan had some movement there, and we are hoping to keep that movement going and to represent some genuine changes that will make the working lives and the professional lives of maritime workers in this country a lot better.

**Q176 Gavin Newlands:** We will come to the international element in a second. Mr Proctor, what is your reaction to the nine-point plan?

**Darren Proctor:** I will choose my words very carefully. We would like to see it being more progressive and moving at a much faster pace. We saw Peter Hebblethwaite's comments here. In some of the comments he made, he lied to you about the rates of pay. He lied to the former Shipping Minister, Nusrat Ghani, about personal belongings being thrown out. We are still waiting for those personal belongings.

The Government said that they were going to do many things. Quite frankly, they have done nothing to date. We are still waiting for that to



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develop. How long will it take them? I touched earlier on how long it took for the national minimum wage to come in October 2020, and then the guidance. The fear is that, while developing this nine-point plan, we could potentially see other operators go the same way and it becoming the norm in the industry, putting people off going to sea.

Again, we come back to this point. Look at Peter Hebblethwaite's CV. As one of your colleagues put it, it was not very full. He does not have much of a history of running a business. He has come from outside the maritime sector, not from inside the maritime sector. He has limited knowledge of the industry. He has done what he tried to do. We have vessels that have been laid up for eight weeks. Some of them are still in port and have not left Dover. Those individuals are still being paid below the national minimum wage. It is not even being addressed.

Yes, the nine-point plan is great and it is a development. If those 800 seafarers had not been sacked, it would have been a step in the right direction. The reality of it is that the pain and the anguish that caused, and quite frankly what he has done to the Maritime 2050 strategy through the actions of P&O, have jeopardised everything in the content of that document.

**Q177 Gavin Newlands:** What was the level of consultation with the DFT on producing the nine-point plan?

**Darren Proctor:** We had a few meetings and we had input into it. Obviously, there was the fair ferries framework. We have pushed on the point because every time we see something in the news about developing it, it is about the national minimum wage. It is about much more than the national minimum wage. As Martyn says, it is dignity and respect, safe roster patterns, permanent employment, pensions, job security, and embedding into the community and looking after them. We have seen the outrage that it has caused in some of the coastal communities. We would like to see the fair ferries framework agreement or similar terminology put on instead of them talking about the national minimum wage for 12 hours when seafarers are on board a vessel for 24 hours. There has been dialogue, and there continues to be dialogue.

**Q178 Gavin Newlands:** I take it that there is nothing either of you want to add to that.

**Martyn Gray:** No. It was very well summed up.

**Q179 Gavin Newlands:** One of the points was about the minimum wage. The Government are bringing forward their harbours Bill, in which they seem to be asking the ports to enforce minimum wage legislation. Do you think that is a good way to go? Even on an interim basis, is it fair on the ports? What are your thoughts on the Government's approach to that at this point in time?

**Martyn Gray:** In terms of the ports being the most appropriate avenue to utilise for enforcement of the national minimum wage and the



enforcement of working standards, I do not believe they are the most appropriate. In terms of needing to be able to act with speed to deter other operators from seeing this as becoming the new norm and completing that race to the bottom, I think it is an important interim measure. I think a lot more work will need to be done and developed.

I know that Darren said that they would like to see faster work happening. I think the mechanism that has come forward through the harbours Bill is likely to be what the Government see as the fastest way of getting something that just puts a bit of a block on the rest of the industry jumping at the opportunity to march into the same horrible exploitation of seafarers that P&O Ferries is now doing. That development is needed as an interim. If that is through the harbour authorities needing to police it, that is the mechanism that the Government are going to use. There are issues with that because some of the harbour authorities are also the operators. P&O Ferries in Cairnryan and Larne will be marking its own homework. We are very much looking forward to HMRC checking P&O Ferries very closely on its compliance regime with that, and other operators elsewhere.

**Q180 Gavin Newlands:** As am I. Mr Proctor?

**Darren Proctor:** The other point on this is about the expertise in the port sector. They do not necessarily have the expertise to check the labour standards for a seafarer because of the complexities of a seafarer's employment contract. We are already seeing, for example, some employers saying that they will pay the national minimum wage but it will be in the form of a bonus. They pay £5 an hour and that will be the basic rate of pay in the form of a bonus, but in the bottom right-hand corner they will be compliant with the national minimum wage when, in actual fact, if the seafarer was to be injured or ill on board, they would pay them out at the lesser rate of pay. There is an expertise that needs to go hand in hand with this.

It is the point that Martyn makes about it being instant. If we wanted a perfect scenario, we would not have chosen this option, but it seems to be the quickest option at this moment in time. Who is going to monitor them? Certainly, if some of the employers, like the Irish Ferries of this world, know that an inspection is up and coming, they could have the paperwork ready and produce the paperwork required. If it is done on an unannounced basis—the best way to do that would be the Maritime and Coastguard Agency, who have the skills, but resources would be short—that would be a better solution in the long term.

**Q181 Gavin Newlands:** Whether the Government have used this as an interim solution or not, do you think their efforts at the ILO, in terms of an international seafarers' minimum wage or a global framework for training, stand any chance of success?

**Darren Proctor:** Being a former ITF inspector, I have seen the ILO minimum standards and I have seen that trying to be enforced in reality.



That is not what we need to have around the UK coast on international routes between point A and point B. They might raise the standards, but it would be at the rate of pay for an AB. There is nothing in there for a cook. There is nothing in there for other grades. Then you are going off the guidance scale. When it comes to asking the UK to enforce something, it is very difficult. I think that is going to be a long drawn-out conversation, and probably one that we will still be having in 25 or 30 years, if I am honest.

**Q182 Gavin Newlands:** Mr Gray, are you as sceptical as Mr Proctor?

**Martyn Gray:** I would say I am more optimistic in terms of timescale. I do not think it is difficult to be more optimistic in terms of timescale. I think that the UK Government will have to make some very strong representations through structures at ILO. We have the right skills, experience and international relations, when it comes to the framework at ILO and IMO, to make the improvements that we need over time. Everything will take time at that international level. It is an extra layer of complexity. I know that the Government are working on bilateral agreements with other countries as an immediate effort to try to resolve some of the issues that we have already highlighted to the Government on how they can avoid paying what should be the going rate.

**Q183 Gavin Newlands:** I am conscious of the time and that was going to be my final question. The Government have proposed bilateral agreements with other EU countries such as France and the like. What progress are you aware of in that sphere, Mr Gray, as you raised it?

**Chair:** Very briefly.

**Martyn Gray:** I understand that France is extremely receptive, and that significant other countries such as Belgium, Denmark, Spain and the Republic of Ireland have all been approached. That is my understanding of the situation. I say approached because I cannot give a further update. I am certain that the DFT has more information on this than I have at the moment.

**Gavin Newlands:** If you don't have any further information on that, I will pass back to the Chair.

**Chair:** We can ask the Minister when he appears before us for our last evidence session in this inquiry.

Mr Gray, Mr Proctor and Mr Tournay, thank you very much indeed for giving us so much evidence on the people side of this inquiry. We are very grateful indeed. Enjoy the rest of your day.