

Written evidence submitted by the National Union of Rail, Maritime and Transport Workers (REW0042)

Introduction

The National Union of Rail, Maritime and Transport Workers (RMT) welcome the opportunity to submit evidence to the Wales Select Committee's inquiry into renewable energy.

RMT organise 6,000 transport workers in Wales, including over 1,000 seafarers and port workers. Our maritime members mainly work in ports and on vessels in the Irish Sea ferry industry, particularly from Holyhead and Fishguard. We also organise over 2,000 offshore energy workers, including technicians on offshore wind farms in the Irish Sea.

The growth in offshore renewable energy offers potential increases in jobs, skills and apprenticeships for seafarers in Wales working in the renewable energy supply chain. Public transport workers in Wales should also benefit from growth in renewable and clean forms of energy production in Wales, which are required to decarbonise the rail, bus, maritime and road transport sector in line with Net Zero targets.

Key Points

- Renewable energy has a vital role to play in mitigating jobs losses amongst skilled transport workers during the pandemic, particularly at Stena Line Ferries.
- Public investment in Wales' ports infrastructure, at Holyhead and elsewhere, designed to boost offshore renewable energy growth should be directly linked to local employment and training opportunities in ports and the shipping supply chain required to deliver these projects.
- Offshore wind farm developers licenced by Crown Estate to develop sites off the coast of Wales should be required to employ local seafarers and other workers, and to use ports in Wales.
- Infrastructure development at ports in Wales must be paid for through the public purse and strategic control of these assets maintained by the Wales Government and local authorities in Wales.
- COP26 must deliver broader employment benefits to the economy of Wales, through the categorization of all public transport workers, along with seafarers, port and offshore energy workers, as green jobs.
- Trade union recognition for shore based and maritime supply chain work should be explicitly referred to and encouraged in the Supply Chain Plan and the CfD process.
- Electricity produced from renewable sources must benefit from better battery and other forms of storage, in order to deliver decarbonisation of all transport modes in Wales as part of the post-Coronavirus economic recovery.

Offshore Wind & Tidal

The transition to a net zero carbon economy in Wales by 2050 requires a major shift in procurement policy in Wales and at UK Government level. RMT's focus in this written evidence is on the employment and training opportunities available to workers in Wales from a just transition to renewable and other clean forms of energy generation.

In our view, renewable energy projects in Wales offers serious job growth potential which is now more urgently needed after job cuts in sectors such as the ferry industry, where seafarers and other workers with transferrable skills, have lost their jobs during the pandemic.

Stena Line, the major employer of seafarers and port staff in Wales has made nearly 200 redundancies amongst these workers on ferry routes from ports in Wales. Hundreds more remain on furlough, with the taxpayer keeping Stena Line staff in employment and protecting communities and the maritime skills base in Wales from further losses.

Offshore renewable energy projects, in particular, offer serious long term job prospects for these workers and other seafarers and port staff in Wales. As the Carbon Trust's 2018 report into offshore wind for the Welsh Government found:

The greatest supply chain opportunities for Wales are in operations and maintenance, building on the capabilities that exist from servicing offshore wind farms in the Irish Sea. Although individual contracts may be smaller, over the lifetime of the project these economic benefits could be considerable.¹

It is noticeable that supply chain plans for offshore wind farms that were successful in AR3 do not contain strong guarantees for UK workers. For example, SSE and Equinor's Supply Chain Plan for the Dogger Bank projects² make a number of references to special operation vessels and CTVs that will be required in the supply chain but no mention, directly of the need to enforce the developers' own policy on the living wage, for example.

Loopholes like these make it more likely that charter vessels such as the Maltese registered *MV Ben Nevis*³ will be used during the life of other offshore renewable energy projects supported by a Contract for Difference. Unfortunately, we cannot rule out the sort of minimum wage abuses which dogged the construction phase of the Beatrice Offshore Wind Farm⁴ from happening again, including on offshore renewable projects off the Welsh coast.

Supply Chain Plans should, therefore, state clearly that the use of modern slavery style contracts is unacceptable across Tier 1-3 and on any other supply chain contract on a CfD supported project off the coast of Wales or anywhere else on the UKCS.

Allied to developments in tidal wind energy generation, offshore hydrogen production and carbon capture and storage, offshore renewable energy and broader net zero initiatives offer genuine prospects for creating jobs but they must be brought forward as a matter of urgency.

¹ Pg. 7 [Future Potential for Offshore Wind in Wales](#) Carbon Trust, Dec 2018.

² <https://www.gov.uk/government/publications/contracts-for-difference-3rd-allocation-round-supply-chain-plans>

³ <https://www.bbc.co.uk/news/uk-scotland-north-east-orkney-shetland-54436305>

⁴ Pg 16 *Beatrice: Building for the Future – Socio-economic Benefits & Learnings* SSE July 2019

A recent UK Government consultation document states,

“...achieving 40GW of offshore wind by 2030 will enable the sector to support up to 30,000 direct jobs and 30,000 indirect jobs by 2030 in ports, factories and the supply chains, manufacturing the next-generation of offshore wind turbines and delivering clean energy to the UK.”⁵

At present, Wales’ offshore renewable energy generation capacity is under 0.8GW and has been at that level since 2018.

In terms of the offshore wind energy pipeline, at present, the Awel y Môr Offshore Wind Farm (a 500MW extension to the west of Gwynt y Môr) will not be operational until 2030. We believe that this project should be brought forward by Crown Estate and within the Contracts for Difference (CfD) process.

The Crown Estate has recently [announced](#) initial approval for BP and German municipal utility EnBW’s plans for two wind farms in waters off the north Wales coast with a generating capacity of 3GW – enough to power 2.8m homes and potentially saving 4.6m tonnes of carbon dioxide every year, although not exclusive to Wales.

However, decisions on storage, marshalling and logistics for these projects are some way off but investment now, in Holyhead’s deepwater terminal, refurbishment of the Victorian-era breakwater and development of smaller ports is absolutely essential in maximising employment and training in Wales from these long term energy transition projects.

The commitment and use of public investment in ports infrastructure is a key test of the commitment to renewable energy in Wales. Done properly, the Government of Wales, which is responsible for ports policy, can extract the best value for money for workers, households and the economy from strategic public control of major assets such as ports, especially where they are privately-owned, as is the case in Holyhead and Fishguard.

RMT, therefore, welcomed the comment from the Environment, Energy and Rural Affairs Minister in the Wales Government, Lesley Griffiths MS in response to the Crown Estate Round 4 announcement:

It is vital that Wales maximises the benefits of hosting offshore wind projects as well as the infrastructure they require onshore.⁶

The UK government’s Offshore Wind Sector Deal, however, only aims for the sector to commit to ‘[increase](#) UK content to 60 per cent by 2030.’ The offshore wind industry itself estimates current local content on UK offshore wind projects to be 48%.⁷

This is unambitious, especially for communities in port towns, such as Newport, Port Talbot, Mostyn and Holyhead.

Similarly, the maritime transport supply chain for the Morlais offshore tidal project needs to be set in the next five-years.

⁵ Pg. 10 *Consultation on changes to Supply Chain Plans and the CfD contract* – BEIS, Nov 2020.

⁶ <https://www.thecrownestate.co.uk/en-gb/media-and-insights/news/2021-offshore-wind-leasing-round-4-signals-major-vote-of-confidence-in-the-uk-s-green-economy/>

⁷ <https://www.renewableuk.com/news/491745/Offshore-wind-industry-announces-targets-to-employ-3000-apprentices-and-a-more-diverse-workforce.htm>

Commitments to quality, unionised jobs for Welsh seafarer and port workers in the offshore renewables supply chain are essential.

There are some prospects for public funding to be used to benefit the employment of UK seafarers in the offshore renewables and net zero supply chain. For example, the £20m the Government committed to the Clean Maritime Demonstration Programme (CMDP) in the Ten-Point Plan⁸ for the development of clean fuelled merchant ships could well lead to successful models of crew transfer and other vessels suitable for work on offshore renewable projects from ports in Wales. That initial pot of public funding is not expected to be the last for the CMDP.

COP26

The COP26 in Glasgow later this year is an opportunity for clear and ambitious employment and apprenticeship targets, underpinned by robust supply chain plans for renewable energy projects in Wales, particularly offshore wind and tidal. COP26 must deliver broader employment benefits to the economy of Wales, through the categorisation of public transport workers, along with seafarers, port and offshore energy workers, as green jobs. RMT Union expects the Welsh Government to work closely with our union and other unions with members in the oil and gas industries when drawing up their low carbon delivery plan for COP26 to explain their plans for a just transition and how they plan to maintain and enhance employment and skills and terms and conditions.

Public Transport and Renewable Energy

Following the electrification of the route from London Paddington to Cardiff Wales officially had its first electrified rail track for 60 years⁹. However the amount of diesel used for both passenger and freight trains across Britain's rail network increased in the last year¹⁰. Public transport and railways in Wales must go further and faster to electrify key rail routes such as Cardiff to Swansea. An electrified railway in Wales could then follow what is being done on the High Speed 1 rail line which is aiming to be powered entirely by renewable energy.¹¹

Improving and expanding the UK's bus networks is vital to decreasing carbon emissions for local transport from local journeys. Under the current deregulated bus system, the private bus companies can 'cherry pick' the most profitable routes to run, cutting less profitable services, and isolating communities and those who rely on bus services to access jobs and the wider economy in the process. In the last two decades, bus fares have risen 45% in real terms, with the largest increases being felt in non-metropolitan areas.

While bus travel is far more energy efficient than private vehicle usage, the vast majority of the UK's buses are diesel powered, and thus emitters of greenhouse gases. The DfT currently has no target for decarbonising the bus fleet. RMT believes that the Transport Decarbonisation Plan should introduce a target for the decarbonisation of the bus fleet, and invest in expanding the domestic bus manufacturing industry to meet the increased demand

⁸ <https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution/title>

⁹ <https://dataportal.orr.gov.uk/media/1842/rail-infrastructure-assets-2019-20.pdf>

¹⁰ <https://dataportal.orr.gov.uk/media/1843/rail-emissions-2019-20.pdf>

¹¹ <https://www.newcivilengineer.com/latest/hs1-aims-to-be-first-uk-railway-run-entirely-on-renewable-energy-22-10-2020/>

for green bus vehicles required including electric vehicles with batteries powered by renewable energy sources.

February 2021