

W/C 28 March 2022

The purpose of this bulletin is to update MPs and Peers on the latest developments in the UK maritime sector and to provide a forward look to opportunities within parliamentary business for positive advocacy.

Latest

Government introduces new seafarer employment measures

The UK government this week (30 March 2022) announced a suite of new maritime employment measures following P&O Ferries' decision to dismiss 800 workers last month.

This includes bringing forward new legislation to ban ferries that don't pay their workers the National Minimum Wage (NMW) from docking at British ports. The government has called on the International Maritime Organisation (IMO) to hold an international summit to discuss workers' rights at sea and to revise the status quo on seafarers' basic pay rates around the world.

The Transport Secretary has also written to France, the Netherlands, Ireland and Denmark to propose bilateral agreements that would ensure routes between the countries become 'minimum wage corridors' where nationals from either country must be paid an agreed minimum wage.

Industry view: It is right that government and the ferry industry look to improve employment rules and standards. Industry is working closely with government to create a commercially viable UK model for our international ferry services. We must establish and agree a construct which ensures a level playing field, to allow fair competition between UK ferry operators. On this foundation, they will be able to deliver quality training jobs for seafarers and quality services for their passengers and freight customers.

We are concerned about plans to require ports to enforce the new rules. They have neither the expertise nor resources to enforce employment law. We believe that is a role for government and regulators, such as the Maritime and Coastguard Agency. We want to engage urgently and work with government to find a more effective and appropriate way of addressing the issues raised by recent events, without disrupting trade flows.

Maritime UK reaction to P&O Ferries actions

Commenting on the decision by P&O Ferries to dismiss 800 seafarers on Thursday, a spokesperson for Maritime UK said:

"We are a membership organisation, but when we disagree with the actions of one of our companies, we should say so.

"We fully appreciate the challenges that some of our maritime businesses have faced largely as a result of the pandemic, and that for some, this has resulted in very difficult decisions having to be made. Whilst we do not know all the facts, Maritime UK does not believe the way P&O Ferries has handled its dismissal of 800 seafarers reflects the values of the sector and our ambition to provide quality and secure careers across the country. Our thoughts are with all the staff that have been impacted.

"We urge P&O Ferries to engage constructively with government, trade associations and unions, and we will be continuing to monitor this situation very closely."

First meeting of National Shipbuilding Strategy delivery group held

The first meeting of the 'Shipbuilding Enterprise for Growth' was held on Tuesday. The forum, which brings together industry and government, is responsible for driving forward delivery of the National Shipbuilding Strategy.

Industry view: The SEG is a good forum, and has the right stakeholders engaged. The measure of success will be the extent to which projects and proposals developed by the SEG are supported by government and supported to reality through investment. A key example of this will be proposed Centres for Excellence, foreseen in the strategy, and discussed at the first meeting this week.

Maritime Skills Commission launches Future Ports Workforce Research

The Maritime Skills Commission (MSC), established by Maritime UK and the Department for Transport in 2020, is today launching its Future Ports Workforce Research Report. The Report came as a recommendation from the MSC's Labour Market Intelligence Scoping Report in October 2020.

The modern port is a significantly different place to the port of history. It is increasingly shaped by forces such as globalisation of supply chains, automation, and digitisation. It is also shaped by external imperatives such as sustainability. We expect these trends to not only continue but to accelerate.

The report makes eight key recommendations which focus collective action:

- Clarify which body is leading on port skills
- More joint working within the ports and maritime sector to drive improvements in diversity
- Undertake a systematic review of how skills are used now, and anticipated changes in skills/job requirements in the future
- 'Eating the elephant' a mouthful at a time focused best practice sharing and 'sprints'
- Investigate priority near-term skills gaps/shortages, including learning lessons from other sectors
- Develop more proactive approaches to upskilling, reskilling, and retraining the current workforce
- Working together to inform a better skills policy and funding landscape
- Developing the HR capability across the sector

Read the report

UK Maritime News

- Brexit: Ministers told to delay new checks in July to prevent 'collapse' in trade <u>The</u>
 Independent
- Bids open to create green freeports <u>The Times</u>
- England's largest ever seagrass planting hits new milestone gov.uk
- Tonga eruption: Robot boat to map explosive volcano's aftermath BBC News
- Bristol's Vaarst raises £15m for marine robots mapping offshore assets <u>UKTN</u>
- Back to overview RWE Forms Celtic Sea Floating Offshore Wind Pact with UK Ports Offshore Wind Biz
- UK Proposes to Extend Carbon Market to Maritime, Waste Sectors Market Watch
- Ex-F1 engineer sings the praises of new £75m Devon riverside academy <u>Devon Live</u>
- First firms chosen for trials in Plymouth's £1.8m 5G marine testbed Business Live

Events for Parliamentarians

Maritime UK Drop-in session – [19 April]

Maritime UK is holding a drop-in session at the Houses of Parliament for Parliamentarians on 19 April 2022.

The past twelve months have seen significant activity for the maritime sector, on Freeports, developing the National Shipbuilding Strategy Refresh, securing an extension to the Clean Maritime Demonstration Competition, a successful London International Shipping Week, major contribution at COP26 and at October's Budget and Spending Review, where the Chancellor announced reforms to Tonnage Tax. The drop-in session will provide MPs and Peers with an opportunity to meet industry representatives to discuss these and other issues.

As one of the primary sectors within the government's ten-point plan for a green industrial revolution, the UK maritime sector has an ambition to lead the world in developing, deploying, and exporting green maritime technologies.

In Maritime 2050, the UK has a strategy to become the world's most competitive maritime centre by the middle of the century.

Maritime UK is grateful to Luke Pollard MP for hosting the session. - Register

Coastal Communities APPG briefing on levelling up coastal communities [28 April]

Following on from the publication of the Levelling Up White Paper, Maritime UK and the Coastal Communities APPG are delighted to invite you to attend a virtual briefing on levelling up coastal communities.

The briefing will take place on Thursday, 28 April 2022 from 1000-1100. It will be Chaired by Sally-Ann Hart MP, the Chair of the Coastal Communities APPG.

Maritime UK welcomes the missions set out within the Levelling Up White Paper. However, the Government could do more to put coastal areas at the heart of its plans. Levelling up is not just about north vs south or urban vs rural. It must also recognise the unique challenges that coastal communities face and respond to them with meaningful policy action.

Preserving the beauty and tourism of our coast is vital. But it must be matched with the investment that's needed to spur high wages and high skilled jobs in these areas.

There is nothing inevitable about coastal decline. These areas are Britain's gateway to the world and can have a high tech, highly skilled future as the engine room of our green industrial revolution.

The maritime sector is already investing and creating quality jobs in coastal areas and is ambitious to do more. However, our members need the right policies and backing to unleash their full potential.

Our Coastal Powerhouse Manifesto sets out how we can grow the maritime sector in coastal economies and realise the mission set out within the White Paper.

If you wish to attend this briefing, please RSVP to barney.scholes@beyond2050.co.uk, and the Zoom details will be sent through to you.

Shipbuilding APPG briefing on levelling up coastal communities [4 May]

Following on from the publication of the National Shipbuilding Strategy, Maritime UK and the Shipbuilding APPG are delighted to invite you to attend a virtual briefing on the strategy. More details soon.

Maritime UK Week [10-16 October]

Maritime UK has announced that its week-long national programme of events and activity to raise the profile of the sector and engage young people in the world of maritime will be held between 10 and 16 October 2022. More information soon.

Upcoming Parliamentary opportunities to promote maritime

Suggested questions, statements and briefing material can be provided on request.

House of Commons

We would be delighted if MPs would be willing to use any opportunities at PMQs and Business of the House Questions to promote the UK maritime industry (these questions are drafted to be suitable as either oral or written parliamentary questions):

- **PMQs Wednesdays:** We would be delighted if MPs would be willing to raise maritime at PMQs if they are selected in the ballot, and are happy to support in drafting a question
- **29 March** BEIS: To ask the Secretary of State for Business, Energy and Industrial Strategy what support he will give to ports who are looking to invest in Shore-Power.
- 21 April International Trade: To ask the Secretary of State for International Trade, what support is her department providing to maritime SMEs to enable their recovery and resumption of international business development.
- **27** April Northern Ireland: To ask the Secretary of State for Northern Ireland, what support he is providing to the Northern Ireland maritime industry.
- 29 April DEFRA: To ask the Secretary of State for the Environment, Food and Rural Affairs, what assessment he has made of how maritime decarbonisation can improve air quality.

House of Lords

We would be delighted if parliamentarians would be willing to table requests for parliamentary debates on the UK maritime industry, and we can support them with suggestions for these.

Written Questions

We are also happy to support parliamentarians with ideas and the production of additional written questions.

Consultations and Inquiries:

Parliamentary

- Transport Select Committee: Maritime 2050: objectives, implementation and effects (25 March)
- Defence Committee: The Navy: purpose and procurement (no deadline specified)
- Treasury Committee: Jobs, growth, and productivity after coronavirus (no deadline specified)

Government

- DEFRA River basin planning: draft river basin management plans (22 April)
- Department for Transport: Low carbon fuel strategy: call for ideas (3 April)
- Department for Transport: Use of maritime shore power in the UK: call for evidence (25 April)
- Department for Transport: Transport labour market and skills (9 May)

Recently in Parliament

Questions were submitted on:

- P&O Ferries: Licensing
- Boats: River Thames
- Shipping: Exhaust Emissions
- UK Shipping Office for Reducing Emissions
- DfT's Maritime Recovery Plan
- Minimum Wage
- Shipbuilding
- P&O Ferries: Conditions of Employment
- Ports: Wales
- Russia: Sanctions
- Shipping: Procurement

The Maritime Sector - key messages

- Maritime contributes £46.1bn to the UK economy and supports 1 million jobs (more than air and rail combined).
- Maritime is **responsible for keeping the country supplied**: 95 percent of British imports and exports in goods are moved by sea, including 25 percent of the UK's energy supply and 48 percent of food supplies. Investment is essential for maintaining these resilient supply chains that every constituent relies upon.
- 2021 has been a year of significant activity for the maritime sector, on Freeports, developing the National Shipbuilding Strategy Refresh, securing extension to the Clean Maritime Demonstration Competition, a successful London International Shipping Week, major contribution at COP26 and at October's Budget and Spending Review, where the Chancellor announced reforms to Tonnage Tax.
- As one of the primary sectors within the government's ten-point plan for a green industrial revolution, the UK maritime sector has an ambition to lead the world in developing, deploying, and exporting green maritime technologies.
- Ports invest over £600m of private capital each year, benefiting coastal economies through job creation and infrastructure investment.
- Maritime workers are 43% more productive than UK average.
- Maritime is a source of well-paid highly skilled roles, which pay an average of £38,000 per year - £9,000 more than the national average.
- Globally, the maritime sector will double to \$3trn by 2030.
- In Maritime 2050, the UK has a strategy to become the world's most competitive maritime centre by the middle of the century.
- Maritime makes a significant contribution to all nations and regions of the United Kingdom.

Please email <u>barney.scholes@beyond2050.co.uk</u> for further information.

You can follow our Maritime UK Twitter account here, and our website is here.