Extra protections for seafarers as government introduces new maritime laws

- new powers mandating ferries operating in and out of the UK pay national minimum wage to be brought forward
- 'minimum wage corridors' to be explored with like-minded countries to ensure workers are paid an agreed minimum wage
- Transport Secretary calls on Insolvency Service to disqualify P&O Ferries Chief Executive

The UK government has today (30 March 2022) announced a suite of new measures to protect seafarers, following P&O Ferries' decision to summarily sack 800 workers earlier this month.

The Transport Secretary confirmed he will bring forward new legislation to ban ferries that don't pay their workers the National Minimum Wage (NMW) from docking at British ports. It means all ferry staff working in and out of British ports, and when in UK waters, will earn the NMW, closing a legal loophole between UK and international maritime law that P&O Ferries ruthlessly exploited.

To ensure seafarers are protected straight away, the Transport Secretary has instructed ports to refuse entry to ferries not paying workers the NMW from today — immediately replicating the effect the new laws will have when introduced in the coming weeks. Also, HMRC will continue to target their enforcement activity, investigating any ferry operators that they suspect do not pay their workers minimum wage.

As a leading maritime institution, 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. This means that when travelling on the Short Strait, seafarers are always paid an agreed minimum wage.

Transport Secretary Grant Shapps said:

We can boast some of the highest maritime standards in the world, but for too long some employers have managed to avoid showing workers the most basic respect.

Ensuring a fair wage for our seafarers means UK workers are not

undercut by employers and it reiterates the UK flag as one of the most respected in the world.

P&O's behaviour has appalled the nation and I want to make it absolutely clear we will not tolerate their actions or allow anyone else to follow suit – and this package of measures will act as a strong deterrent.

Following the conduct of Peter Hebblethwaite, the Transport Secretary has asked the CEO of the Insolvency Service to consider whether the P&O Chief Executive should be disqualified as a director.

It comes as the Business Minister Paul Scully announced plans for a new statutory code on the practice of 'fire and rehire' to clamp down on controversial tactics used by employers.

Business Secretary Kwasi Kwarteng said:

P&O's use of aggressive employment tactics has been completely unacceptable and we are clamping down on employers who flagrantly fall foul in protecting the rights of their workers.

By ensuring ferry staff working in and out of British ports are paid the National Minimum Wage, this new package will protect UK workers from being ruthlessly exploited by employers, while making sure they receive a fair day's pay.

Today's updates mean more than 21,000 seafarers across the UK will no longer be undercut and puts the UK ahead of any EU state in its protection on pay.

British seafarers are recognised as some of the most highly skilled worldwide and the UK's <u>Maritime 2050 strategy</u> sets out a plan for a fairer global maritime industry.

Ian Hampton, Executive Director, Stena Line, said:

Stena Line welcomes the package of changes proposed to address the present inequalities that exist for seafarers working on regular ferries services to and from the UK.

We have a long-held strategy of employing local seafarers onboard our vessels. Today's announcement protects that strategy and in addition creates the necessary consistency and equality needed across the sector.

Buoyed by the highest number of maritime training providers out of any country, the government is launching a new recruitment website for seafarers and maritime employers to connect, supporting the recovery and development of the transport industry. This will specifically target P&O Ferries workers made redundant, as well as the sector at large.

See the Transport Secretary's statement to Parliament on <u>P&O Ferries: new</u> powers to protect maritime workers, 30 March 2022.