



**INTERNATIONAL
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**Kevin Hollinrake MP
Parliamentary Under Secretary of State
Department for Business and Trade
Old Admiralty Building
Admiralty Place
London SW1A 2DY**

Ref. OGS/SMC/AB/ar

Via E-Mail: hollinrake.correspondence@trade.gov.uk

28 February 2024

Dear Kevin Hollinrake,

Maritime Labour Convention - Accommodation offset on UK ships

I wish to raise with you an issue that has come to my attention regarding the implementation of the ILO Maritime Labour Convention 2—6, as amended (MLC).

The UK has been seen as one of the leading maritime nations when it comes to the MLC and the need for its effective enforcement. One of the main reasons for this is to ensure a more level playing field within the shipping industry.

Therefore, the ITF was surprised to hear from affiliates of reports that the UK Chamber of Shipping, and some operators in the European offshore wind supply chain, are defending the immoral practice of charging seafarers for the cost of accommodation on board the ships they are working on, and which cannot be operated without them. From a UK perspective this could undermine the ability of UK nationals to gain employment in this growing part of the industry, as seafarers from developing countries that are paid less than UK seafarers are more likely to be utilised.

Most importantly, I would like to advise you that this practice is against the spirit of the MLC and is an unacceptable practice in the modern shipping industry. The final official report of the Preparatory Tripartite MLC, 2006 Committee in Geneva in September 2010 stated that there was broad agreement with the UK Government's statement that:

...charging crews for accommodation would be contrary to the spirit of Regulation 3.1, paragraph 1, of the [Maritime Labour] Convention.

We agree with the UK Government's above statement and call on the UK, and all Governments, employers, and charter parties to continue to uphold the right for seafarers not to be charged, or to have deductions made from their wages to meet the cost to the employer of providing crew accommodation. The principle established by the MLC must be respected by shipowners in the UK and across the world, including the maritime supply chain of the offshore renewable and offshore oil and gas industries.



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It's important to state that there is no distinction between 'charging' or 'deductions from pay' for meeting the cost of seafarer accommodation. UK legislation does not authorise charges or deductions from seafarer pay for crew accommodation on a vessel, and this goes as far back as the Merchant Shipping (Seamen's Wages and Accounts) Regulations 1972 introduced by Michael Heseltine. Yet we know from the work of RMT and Nautilus that employers are making deductions from low paid seafarers' wage packets for the cost of accommodating them on ships working in the UK's offshore renewable sector.

In addition, the UK Government's own advisers at the Low Pay Commission recommended in 2022 that seafarers should be exempt from the 'accommodation offset' a legal deduction from National Minimum Wage rates currently worth £63.70 per week to employers, primarily in the seasonal agriculture sector.

Following the P&O Ferries scandal, the UK Government has been under pressure from trade unions, particularly the RMT and Nautilus International to ensure that the Government's legislative response does not have unintended consequences. One of those would be to allow employers to make a deduction from seafarers pay – the 'accommodation offset' which exists in statute. It seems evident that to allow such underhand practices will allow the proliferation of low-cost employment models in the UK.

We are encouraged by the Seafarers Charter's prohibition of charging or deducting pay for accommodation, but the Charter is, at present, only voluntary.

Seafarers, especially in the ferry industry, need the secondary regulations in the Seafarers Wages Act 2023 to explicitly prohibit accommodation charges or deductions like the accommodation offset from the wages of seafarers covered by this Act. I would therefore urge the UK Government to ensure that this protection is in the legislation for seafarers when it is in full force later this year.

I should advise you that I have also written a similar letter to the Shipping Minister at the Department for Transport, Lord Davies of Gower.

I look forward to hearing from you at your earliest convenience regarding this important issue.

Yours sincerely,

Stephen Cotton
General Secretary