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**Maritime Skills Alliance response to the Migration Advisory Committee's Call for Evidence,  
October 2017**

The Maritime Skills Alliance creates and promotes apprenticeships and qualifications for the wider maritime sector. We are funded by our 18 members, a uniquely broad mix:

- Border Force
- British Marine Federation
- British Tugowners Association
- Company of Watermen and Lightermen
- International Jack Up Barge Operators' Association
- International Association of Maritime Institutions
- Maritime and Coastguard Agency
- Marine Society and Sea Cadets
- Merchant Navy Training Board
- MYBA The Worldwide Yachting Association
- National Workboat Association
- Port Skills and Safety
- Royal National Lifeboat Institution
- Royal Navy
- Royal Yachting Association
- Seafarers UK
- Sea Fish Industry Authority
- Thames Skills Academy

We are responding to the Call for Evidence from the Migration Advisory Committee, published on 4 August 2017, which was prompted by the Government's request to MAC "to advise on the economic and social impacts of the UK's exit from the European Union and also on how the UK's immigration system should be aligned with a modern industrial strategy".

**Main points**

1. The extent of employment of EU27 nationals varies a good deal across the maritime sector, but is substantial in some parts. What evidence we have suggests that few employers have made plans to cope with a significant change in their ability to recruit and retain EU27 employees, so any such change is likely to be detrimental to their ability to conduct their business.
2. For many maritime companies, particularly in the shipping sector, employment of non-EU labour is at least as important, and often more important, than employment of EU27 employees. Any change to the right of these employees to work in the UK maritime sector which might result from other changes to UK immigration rules, could be very damaging.
3. The superyacht sector's main concern about Brexit is very different: it is about ensuring the continuing ability of British crew to win and retain work within the rest of the EU, particularly the Mediterranean heartland of the superyacht sector.

In order to prepare this response, we have done three things:

1. reviewed existing data on EU27 employment within the maritime sector;
2. discussed MAC's Call for Evidence at our Board meeting in September 2017;
3. supplemented the previously available evidence with a survey of MSA members.

### **Data on EU27 Employment**

We have good data for some parts of the sector, and little or none for other parts.

We have good data on employment by nationality for seafarers, through the Department for Transport's (DfT) [Seafarer Statistics](#), published annually, and most recently in January 2017 for 2016. This data series records the nationality of all non-UK officers (ie managers) who hold a valid Certificate of Equivalent Competency (CEC); there is no data on how many of those CEC holders are in fact *active at sea*, though that same constraint applies to UK residents holding UK certification which entitles them to serve at sea.

In 2016, there were 10,550 non-UK nationals with valid CECs, and the majority of them were EU27 citizens. The country with the most CECs was Poland, with 17% of the total. It is worth noting, however, that the next four countries in the list were outside the EU: Philippines 12%, India 9%, Russia 8%, Ukraine 8%. That reflects the truly international - meaning world-wide - nature of employment in the shipping industry.

There is no equivalent data for ratings (ie lower grade operatives at sea), and though there is no doubt that UK ratings are, and long have been, a relatively small part of total employment of ratings in the UK fleet as a whole, there is no reliable data on the nationality of ratings working in UK waters.

Statistics on the number of fishermen are drawn from surveys carried out by the Marine Management Organisation in England, the Welsh Assembly Government, the Department of Agriculture, Environment and Rural Affairs in Northern Ireland and Marine Scotland.

A recent [pilot survey](#) of crew in the UK fleet carried out by the Sea Fish Industry Authority found that just over three quarters (77%) of the jobs in the sample were filled by UK citizens. Around 10% of workers in the survey sample were EU/EEA citizens and 13% were non-EEA. Non-UK workers occupied mainly deckhand and engineer jobs, representing 31% of all engineers and 39% of all deckhands. Of the home nations, Northern Irish-registered fishing vessels in the sample had the highest proportion of non-UK workers (53%), followed by Scottish (31%), English (6%) and Welsh (3%).

The fishing industry is very concerned about the potential loss of EU/EEA workers and non-EEA workers who enter the country on a transit visa. There has been some uncertainty as to the operation of the transit visa and how it aligns with the normal operations of the fishing fleet. The Sea Fish Industry Authority has produced a [briefing note](#) on the legal framework for working on UK registered fishing vessels.

The education side of the maritime industry – colleges, universities and some private providers – has precise data on nationality because the nationality of incoming lecturers is declared for Tier 2 visa purposes. The data shows that 2% of the education workforce are EU27 citizens and a further 2% citizens of non-EU countries – all of them at Level 5 or above. The proportion of non-UK lecturers has fallen in recent years because the difficulties in the North Sea oil and gas sector has enabled employers to recruit from displaced seafarers (likely a one-off opportunity).

For other parts of the sector the best evidence we have comes from informed assessments by MSA Board members who are deeply involved in their sectors, namely:

- for the workboat sector, some 10% of deckhands (with broadly Level 2 qualifications) are from EU27 countries, and a further 10% from outside the EU. In part this reflects good business practice by such companies employing a percentage of ‘local labour’ when they operate contracts overseas. The sector is doing well in export markets, so the proportion of non-UK labour has probably grown in the last decade and is likely to keep growing. At higher levels, including the Master of a workboat, perhaps 15% are EU27 nationals, and a further 10% come from outside the EU. There will be some double-counting here with DfT’s Seafarers Statistics.
- for freight and passenger operations on the lower Thames, colleagues’ best assessment is that perhaps 15% of employees at Level 2 are EU27 citizens, with a further 5% from outside the EU. At higher levels (eg Skipper), the proportions reverse with higher numbers of non-EU nationals and fewer from EU27 countries. There are particular difficulties attracting UK nationals to hospitality roles. The Thames Skills Academy, an employer-led Group Training Association, has begun a series of six-monthly surveys of members which should provide robust data in time.
- for the superyacht sector (professionally-crewed large yachts), estimates vary but perhaps 10% of crew are from the EU27 and a further 20% from outside the EU – typically Anglophone countries such as Australia, New Zealand and South Africa because English-speakers dominate the sector. The UK provides more superyacht crew than any other country. Aside from the lack of robust data in this highly international sector, it is also much harder here to define “UK” ownership and “UK” employment.

Comment. We particularly want to draw your attention to three core facts:

- employment of *EU27 nationals* is substantial in many parts of the maritime sector;
- employment of *non-EU nationals* is also substantial;
- substantial employment of *UK nationals* in ‘export’ markets elsewhere in the European Union.

We are concerned about all three groups. The maritime sector is an international one, where “international” is not confined by the boundaries of the EU.

### **The potential impact of Brexit on employment in the maritime sector**

No part of the maritime sector has yet made a systematic assessment of the impact which Brexit might have for the employment of EU27 nationals. What follows is therefore necessarily very

tentative; we can do little more than put down markers about what *might* be, in certain circumstances.

Given the scale of EU27 employment in the sector, the more radical options which have been aired could have a devastating effect on the sector if applied precipitately. At the very least companies would want a substantial period to adjust.

We are also concerned about our continuing ability to employ non-EU nationals. That is not formally within your scope, but the politics around Brexit include some options which would result in much reduced opportunities to recruit and retain non-EU nationals too, including much more expensive and time-consuming processes. Given the scale of non-EU employment in some parts of the sector (very much in line, it is worth saying, with the experience of other Northern European countries), we would be anxious about any proposal to make precipitate changes in a pattern of employment which has prevailed for some decades.

Third, and unlike many other sectors, we are very keen to protect the current opportunities enjoyed by many UK nationals working in the rest of the EU, particularly in the superyacht sector. The superyacht market is an excellent one for the UK, both in crewing superyachts and in selling yachts, equipment and related services. We want to be sure that at least as many UK nationals will continue to be able to work in the EU, and on terms which are no worse than those they currently enjoy – eg for visas (and speed of access to them), for social security matters, for residency status.

#### **Current mitigation action**

No action has been instigated *because of* the Referendum result, but the maritime industry is taking a number of steps which have the effect of mitigating the negative consequences which *might* flow from Brexit in certain circumstances, for example:

- the UK Chamber of Shipping, in partnership with Nautilus International, the RMT and the Merchant Navy Training Board, has drawn up plans under the banner of “SMarT Plus” which would mean a 50% increase in the number of junior officers trained every year – in effect, greatly increasing the number of UK officers available. The partners are awaiting a response from the Maritime Minister to their proposal, which would mean an increase of just £15m pa when fully implemented.
- we, and many others, have been busy enhancing and promoting the range of apprenticeships available to maritime employers. And during London International Shipping Week (September 2017) the Maritime Minister, at our instigation, challenged employers to double the number of apprentices they employ.
- the MSA is actively involved in plans in both Scotland and England to create new qualifications for school-children which should have the effect of increasing the number who are attracted to careers in the maritime sector.

**Further evidence**

We would be pleased to respond to any further requests for information about any of the above, or related matters.

A handwritten signature in blue ink that reads "Iain Mackinnon". The signature is written in a cursive style with a horizontal line underneath the name.

Iain Mackinnon  
Secretary  
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