

Research Briefing

3 February 2023

By Dr Roger Tyers,
Patrick Brione

Seafarers' Wages Bill [HL] 2022-23: Progress of the Bill



Summary

- 1 Introduction
- 2 Second Reading
- 3 Public Bill Committee
- 4 Appendix – Bill committee members

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Contents

Summary	4
1 Introduction	5
2 Second Reading	6
3 Public Bill Committee	8
3.1 Clause 3 - Request for declaration	8
3.2 Clause 4 - Nature of declaration	9
3.3 Clause 5 - Requirement to provide information	9
3.4 Clause 7 - Imposition of surcharges	10
3.5 Clause 9 - Refusal of harbour access for failure to pay surcharge	10
3.6 Clause 11 - Guidance and directions	11
3.7 Clause 12 – Regulations	11
3.8 Defeated new clauses	12
New Clause 7: Implementation and monitoring	12
New Clause 8: Report: evidence of nationality-based pay discrimination	12
4 Appendix – Bill committee members	13

Summary

The Seafarers' Wages Bill would, if passed, ensure seafarers working on ships that use UK ports at least 120 times a year are paid a rate at least equivalent to the UK national minimum wage for their work in UK waters.

For detailed background on the Bill, its content as introduced, and initial stakeholder reaction, please see:

- Common Library [Seafarers' Wages Bill \[HL\] 2022-23](#) (17 November 2022)

Bill Progress

The [Seafarers' Wages Bill \[HL\] 2022-23](#), Bill 184 of the 2022-23 session, had its second reading in the House of Commons on 19 December 2022, and received line-by-line scrutiny at committee stage on 17 January 2023. Its report stage is scheduled for 7 February 2023. The Bill originated in the House of Lords.

The Bill is part of the Government's response to the sacking of 786 seafarers by [P&O Ferries Ltd on 17 March 2022](#). The Bill's introduction follows a [Government consultation](#) in May-June 2022, and the publication of the Government's [nine-point plan to protect seafarers](#) on 6 July 2022. Further background information can be found in the Commons Library briefing on [P&O Ferries: Employment law issues](#) (19 April 2022).

Amendments made in Public Bill Committee

The committee agreed over 40 Government amendments, the vast majority of which were drafting amendments or definitional changes, and four new clauses were added. The main change made by the Government was to turn powers that harbour authorities would hold under the Bill into duties.

No Opposition amendments were made to the Bill. Most Opposition amendments were not formally moved or withdrawn. Five were defeated following divisions.

At both committee stage and second reading, the Bill received cross-party support, although many Opposition members thought it did not go far enough in protecting seafarers' employment rights.

1 Introduction

The [Seafarers' Wages Bill \[HL\] 2022-23](#), Bill 184 of the 2022-23 session, had its first reading in the House of Commons on 8 November 2022, second reading on 19 December 2022, and committee stage on 17 January 2023.

The Bill was first introduced in the House of Lords where it had its first reading on 6 July; second reading on 20 July; committee stage on 12 October; report stage on 26 October and third reading on 7 November 2022.¹

The Bill was subject to a report by the Delegated Powers and Regulatory Reform Committee on 5 October, to which the Government responded on 25 October 2022.²

The Bill, together with its explanatory notes (which provide a clause-by-clause explanation of the Bill), impact assessment, delegated powers memorandum and an overview of its parliamentary progress, is available on the [Parliament Bill webpage](#).³

The Bill was introduced following a [Government consultation](#) which ran from 10 May to 7 June 2022, and the publication of the Government's [nine-point plan to protect seafarers](#) on 6 July 2022.⁴

The Bill does not amend any other Act of Parliament. It makes reference to the National Minimum Wage Act 1998, the Harbours Act 1964, the Harbours Act (Northern Ireland) 1970 and the Harbours, Docks and Piers Clauses Act 1847.

The Bill would extend to England, Wales, Scotland and Northern Ireland. The legislative consent motion process will not be engaged for Scotland, Wales or Northern Ireland.

¹ Seafarers' Wages Bill [HL] 2022-23 [Stages](#) [Accessed 14 November 2022]

² Delegated Powers and Regulatory Reform Committee [HL Paper 65 10th Report of Session 2022-23 Seafarers' Wages Bill \[HL\] \[PDF\]](#) 5 October 2022; Delegated Powers and Regulatory Reform Committee [HL Paper 65 10th Report of Session 2022-23 Seafarers' Wages Bill \[HL\]: Government Response \[PDF\]](#) 25 October 2022

³ Seafarers' Wages Bill [HL] 2022-23 [Publications](#) [Accessed 14 November 2022]

⁴ Department for Transport, [Consultation outcome: Conditions for harbour access and seafarers' pay-rates: scope and compliance](#), 10 May 2022; Department for Transport, [Policy paper: Nine-point plan for seafarers – our commitments to protect seafarers](#) 6 July 2022

2

Second Reading

The Bill received its second reading in the Commons on 19 December 2022. There was broad cross-party support for the Bill, although many Opposition members said it did not go far enough in improving employment protections for seafarers' generally, or to prevent a repeat of the of the issues that arose in March 2022 when P&O Ferries made many of its seafarers redundant.⁵

The Shadow Transport secretary, Louise Haigh, said that the Labour Party supported the Bill, despite adding that it was “wholly insufficient” and did little to deter a repeat of the actions of P&O Ferries:

If P&O Ferries or any of its low-cost rivals wanted to do all this again, nothing in the Bill or anything else that the Government have put forward would stop them. P&O Ferries decided not to notify either the Secretary of State or the competent authorities of the flag states of Cyprus, Bahamas or Bermuda of its dismissal plans—a legal requirement under sections 193 and 193A of the Trade Union and Labour Relations (Consolidation) Act 1992—and refused to consult the workforce ahead of their dismissal.⁶

The point that the Bill would not address sections 193 or 194 of the Trade Union and Labour Relations (Consolidation) Act 1992 was also raised by Chris Stephens (SNP).⁷ These sections of the 1992 Act require employers to give notice to the Government in advance of mass redundancies,⁸ something P&O Ferries chose not to do. The Secretary of State for Transport, Mark Harper, said that while he accepted that other people would have other proposed solutions, the Bill represented the Government's judgement that this was the best one.⁹

Christine Jardine (Lib Dem) said that the Liberal Democrats support the Bill but outlined potential problems they had with it. These included concerns about the compatibility of the Bill with existing international conventions, and practical issues of enforcement – including fears that ferry operators might start ‘port-hopping’ to evade the Bill's provisions.¹⁰

Gavin Newlands (SNP) said it was a welcome Bill that the SNP “very much support in principle” but outlined areas that the Bill did not address. These included the fact that the Bill did not cover areas of worker ‘exploitation’ outside of pay, such as operators imposing intensive roster patterns on staff,

⁵ BBC News [Outrage and no ferries after mass P&O sackings](#) 18 March 2022

⁶ HC Deb 19 December 2022 [c71](#)

⁷ HC Deb 19 December [c65](#)

⁸ [Section 193, Trade Union and Labour Relations \(Consolidation\) Act 1992](#)

⁹ HC Deb 19 December [c65](#)

¹⁰ HC Deb 19 December 2022 [c92](#)

or implementing low crewing levels on ferries which might not be “safe or advisable”.¹¹

Richard Burgon (Labour) criticised the fact that the Bill would only apply to services that visited a UK port 120 times a year, rather than the 52 times a year originally proposed¹², thereby creating “loopholes” for unscrupulous employers “to evade paying people the national minimum wage”.¹³ Karl Turner (Labour) echoed this concern about the 120-visits requirement, saying that “currently drafted, the ferries sailing out of Hull will not be caught by these provisions.”¹⁴

Other members, including Louise Haigh (Labour), Gavin Newlands (SNP), Mike Amesbury (Labour), Jim Shannon (DUP) and John McDonnell (Labour) were critical that the Bill would not ban ‘fire and rehire’ tactics.¹⁵

¹¹ HC Deb 19 December 2022 [c75](#)

¹² The 52-visit requirement was first suggested in the consultation when the legislation when it was known as the Harbours (seafarers' remuneration) bill. The 52-visit requirement is specified in [DfT Impact assessment: harbours \(seafarers' remuneration\) bill \[PDF\]](#) 19 April 2022 (Para 1.7). In the Government response to the consultation, this changed to 120-visits per year. See [Consultation outcome Conditions for harbour access and seafarers' pay-rates: scope and compliance](#) 6 July 2022

¹³ HC Deb 19 December 2022 [c66](#)

¹⁴ HC Deb 19 December 2022 [c80](#)

¹⁵ [HC Deb 19 December 2022](#)

3 Public Bill Committee

The Bill's public bill committee took place on 17 January 2022. Over 40 Government amendments were made, the vast majority of which were drafting amendments or definitional changes, and four new sub-sections were added. The main change made by the Government was to turn powers that harbour authorities would hold under the Bill into duties.

No opposition amendments were made to the Bill. Most opposition amendments were not formally moved or withdrawn, five were defeated following divisions.¹⁶

The following sections highlight clauses which were substantially amended or which were subject to a division.

3.1 Clause 3 - Request for declaration

Clause 3 would determine when and how port authorities request ship operators to provide a declaration that they are paying seafarers a national minimum wage equivalent. Clause 3 was amended by Government amendment 1 (and other related amendments)¹⁷ to impose a duty on harbour authorities to request minimum wage equivalent declarations of in-scope operators. Previously Clause 3 only gave them a power to do so.

Speaking for the Government, Richard Holden (Parliamentary Under Secretary of State for Transport) said this amendment is:

part of a larger set of amendments that will also make the formerly discretionary powers for harbour authorities to impose surcharges, and to refuse access to their harbour, into duties, which is something that Opposition Members raised extensively at earlier stages.¹⁸

The Minister said that this amendment was tabled followed engagement with port stakeholders. By obliging port authorities to always request declarations, rather than the Government having to issue directions (as a 'back-up power'), this change would be less burdensome for the Government, and simpler for harbour authorities who would be "unlikely to exercise their powers without being directed to".¹⁹

¹⁶ [Seafarers' Wages Bill \(Committee Stage Decisions\) 17 January 2023 \[PDF\]](#)

¹⁷ [Seafarers' Wages Bill \[Lords\] \(Amendment Paper\) 17 January 2023 \[PDF\]](#), Page 3

¹⁸ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\]](#), Page 14

¹⁹ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\]](#), Page 14

Clause 3, as amended, was agreed on a division along party lines (Ayes 10, Noes 7).

3.2

Clause 4 - Nature of declaration

Clause 4 would set out the nature of national minimum wage equivalent (NMWe) declarations that in-scope ship operators must make to port authorities.

Clause 4 was amended through Government amendment 7. This amendment added new sub-sections to Clause 4, so that declarations could be provided before, during or after the year to which they relate, and for declarations to relate to part of a year. The Minister explained the logic of the amendment as follows:

The amendment will prevent any gaps in coverage in declarations and requires harbour authorities to request a declaration whenever it becomes clear to them that a service is in scope of the Bill. A harbour authority must request a declaration from an existing service before the relevant year starts if it has reasonable grounds to believe that a ship will call at its harbour 120 times during the year. In the event that, part way through a year, a harbour authority has reasonable grounds to believe that ships providing the service will have entered the harbour at least 120 times, it must request a declaration part way through that year, or at the end of the year if it was not clear until that point.²⁰

Opposition amendment 62 was tabled in the name of Mike Kane (Labour). This would have amended Clause 4 to confirm that deductions could not be made from wages for food, accommodation or other exempted items. In response, the Minister said this amendment was unnecessary because charging staff for food and water is already prohibited by the maritime labour convention (and accommodation is usually provided free as standard industry practice). He said regulations issued under the Bill – if passed – would clarify the position on deductions, and that there would be a public consultation on such draft regulations after the Bill has received Royal Assent.²¹

Amendment 62 went to a division and was defeated along party lines (Ayes 7, Noes 10). **Clause 4**, as amended, was ordered to stand part of the Bill.

3.3

Clause 5 - Requirement to provide information

Government amendment 1 also introduced a **new Clause 5**. This would provide for an offence of acting inconsistently with an equivalence declaration, and would cater for the fact that, due the amended Clause 4, a

²⁰ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\], Page 15](#)

²¹ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\], Page 18](#)

declaration may be provided before, during or after the year to which it relates.

This clause would allow the Secretary of State to require operators to provide information to ensure a service is being operated consistently with any declarations.

Clause 5, as amended, was ordered to stand part of the Bill without division.²²

3.4

Clause 7 - Imposition of surcharges

Clause 7 would enable harbour authorities to impose surcharges whenever the operator's ships enter the harbour, if the operator has failed to provide a NMWe declaration. The Government tabled some further drafting amendments and inserted new clauses. Here, three new clauses reflect the fact that equivalence declarations may be provided before, during or after the year to which they relate, and surcharges may be imposed for incorrect/missing declarations in one of the three circumstances:

Government new clause 2—Imposition of surcharges: failure to provide declaration in time.

Government new clause 3—Imposition of surcharges: in-year declaration that is prospective only.

Government new clause 4—Imposition of surcharges: operating inconsistently with declaration.²³

These clauses appear as **clauses 8, 9 and 10** in the amended version of the Bill.²⁴

3.5

Clause 9 - Refusal of harbour access for failure to pay surcharge

Opposition amendment 70 would have amended clause 9, and inserted new **Clause 6**, so that ship operators who did not pay a surcharge would have their ship detained in-port, rather than having access denied. Introducing the amendment, Grahame Morris (Labour) said that “denying access to ports is not a realistic or sustainable punishment” and could be dangerous.²⁵

The Minister said that detention of ships in-port would be inappropriate and could cause problems for ports in taking up space and blocking port access

²² [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 42](#)

²³ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 35](#)

²⁴ [Seafarers' Wages Bill \[HL\] \[As amended in Public Bill Committee\] \[PDF\]](#)

²⁵ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 51](#)

for other ships. He also said that concerns that ships might be unable to dock and left at sea, causing a danger, were unfounded because most in-scope services would be so short this would never happen in practice:

By virtue of the requirement that harbour authorities request an equivalence declaration only when ships providing a service call at a UK harbour on at least 120 occasions in a year, all services captured are almost certain to be on short routes, and notification of refusal of access would take place before the ship has set sail from the port of origin.²⁶

The amendment was defeated on division along party lines (Ayes 6, Noes 10).²⁷

Clause 10 was ordered to stand part of the Bill, unamended.

3.6 Clause 11 - Guidance and directions

Clause 11 would give the Secretary of State the power to issue guidance and directions for harbour authorities on how to exercise their powers. Due to previous amendments changing harbour authorities' powers into duties (see clause 3 above) this was amended by Government amendments to remove the power to issue guidance, but leave the power to issue directions.

Clause 11, as amended, was ordered to stand part of the Bill.²⁸

3.7 Clause 12 – Regulations

Clause 12 would give the Secretary of State power to issue regulations under the Bill. Gavin Newlands (SNP) tabled Opposition amendment 66 seeking that all such regulations made under clauses 3, 4, 7 and 9 of the Bill be subject to the affirmative resolution procedure, “to enhance the scrutiny of the regulations of this Parliament”.²⁹

The Minister responding by saying that “Switching to the affirmative procedure is not a good use of parliamentary time and would slow down the implementation of the Bill.”³⁰ Gavin Newlands responded that “it is for Parliament to decide the best use of parliamentary time.” The amendment was defeated on division along party lines (Ayes 7, Noes 10).³¹

²⁶ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 54](#)

²⁷ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 55](#)

²⁸ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 59](#)

²⁹ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 60](#)

³⁰ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 61](#)

³¹ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 61](#)

Clause 12 was ordered to stand part of the Bill, unamended.

3.8 Defeated new clauses

New Clause 7: Implementation and monitoring

Opposition new clause 7 would have required the Secretary of State to produce a six-month report on the impact of the Act. This would have included issues like roster patterns, pensions, and wages of seafarers; an assessment of whether further legislation was necessary; and a strategy for engaging with trade unions to assess such impacts.

The Minister said that six-months would be too soon for such a report, and that any such report would (hopefully) have little to say:

Six months after the Bill has been passed, there will be little to report on— hopefully very little indeed, as people will be complying with it. Indeed, the Bill will not be brought into force until secondary legislation is in place, and it is not expected that that will be the case within a short space of time after the Bill has passed.³²

The new clause 7 was defeated on division (Ayes 7, Noes 10).³³

New Clause 8: Report: evidence of nationality-based pay discrimination

Opposition new clause 8 would have required the Secretary of State to publish a report setting out any evidence of nationality-based pay discrimination against nonqualifying seafarers. Grahame Morris (Labour), who tabled the amendment, said that nationality-based pay discrimination was “the elephant in the room” and that “Unscrupulous ferry operators in the sector are displacing UK-based seafarers on a “fire and rehire” basis, which Labour finds anathema.”³⁴

The Minister said that some nationality-based pay discrimination is already legally permitted³⁵ and that under the Bill, the Government “will not have the relevant evidence to which the new clause refers”. He requested for the new clause not to be pressed to a vote.³⁶ In the end, it was defeated on division along party lines (Ayes 7, Noes 10).

³² [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 75-76](#)

³³ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 76](#)

³⁴ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 32](#)

³⁵ The Minister referred to the [Equality Act 2010 \(Work on Ships and Hovercraft\) Regulations 2011](#)

³⁶ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Page 30](#)

4 Appendix – Bill committee members

The chairs were Philip Davies (Shipley, Con) in the morning sitting and Carolyn Harris (Swansea East, Labour) in the afternoon sitting.

Members of the committee were as follows:

- Courts, Robert (Witney) (Con)
- Crosbie, Virginia (Ynys Môn) (Con)
- Doyle-Price, Jackie (Thurrock) (Con)
- Elphicke, Mrs Natalie (Dover) (Con)
- Hayes, Sir John (South Holland and The Deepings) (Con)
- Holden, Mr Richard (Parliamentary Under Secretary of State for Transport)
- Kane, Mike (Wythenshawe and Sale East) (Lab)
- Lightwood, Simon (Wakefield) (Lab/Co-op)
- Linden, David (Glasgow East) (SNP)
- Morris, Grahame (Easington) (Lab)
- Mortimer, Jill (Hartlepool) (Con)
- Mullan, Dr Kieran (Crewe and Nantwich) (Con)
- Newlands, Gavin (Paisley and Renfrewshire North) (SNP)
- Nici, Lia (Great Grimsby) (Con)
- Turner, Karl (Kingston upon Hull East) (Lab)
- Wakeford, Christian (Bury South) (Lab)
- Young, Jacob (Redcar) (Con)³⁷


³⁷ [Seafarers' Wages Bill Deb 17 January 2023 \[PDF\] Pages 1-2](#)

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