



Fair Ferries

The public's response to
the P&O Ferries scandal

Executive summary

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On 17 March 2022, P&O Ferries, a once-proud British business, unlawfully sacked 800 seafarers without notice or consultation via a recorded video call.

That day, 800 families had their lives ripped apart, as employees were marched off their ships by hired security while their personal belongings were dumped in skips.

P&O Ferries CEO Peter Hebblethwaite had so little regard for the sacked seafarers, that he told a committee of MPs that, not only had he knowingly broken the employment laws of this country, but that he 'would do it again'.

This brazen act destroyed the reputation of a household name and exposed a corporate culture that put profits before people and safety. Its actions mobilised not just the maritime sector, but the wider UK population.

This report investigates the public's response to the actions of P&O Ferries and discusses the changes required to ensure that the events of March 2022 are not repeated.



Introduction

In the aftermath of the P&O Ferries scandal, Nautilus International surveyed 2,000 individuals in the UK to understand their attitudes and opinions towards the company and the maritime professionals involved.

The research was conducted to establish how – if at all – the reputation of the maritime sector had been impacted and to understand if the public were aware of the impact of P&O Ferries' actions across a vital industry.

The survey results highlight just how much the P&O Ferries scandal affected people across the UK – regardless of their background – with significant support shown for the maritime professionals affected and a huge impact on the reputation of P&O Ferries reported.

This 'Fair Ferries' report discusses the ongoing impact on maritime professionals. It outlines Nautilus's response through the introduction of its Fair Ferries Strategy, which seeks reform to eliminate the prospect of similar actions being taken by ferry operators in the future:

Survey summary

The survey, which was conducted by Nautilus International in July 2022, found that:

- **94%** of those giving an opinion believe that seafarers working in the ferry industry – regardless of where they live – should receive the same UK wages and employment conditions as other workers
- **85%** of those giving an opinion believe that seafarers working in the UK should have equal employment rights as shore-based workers
- **Nearly 80%** believe that companies such as P&O Ferries should not be allowed to hire agency crews to replace unlawfully dismissed seafarers in the UK
- **Three quarters** of respondents believe P&O Ferries treated workers unfairly when they were unlawfully dismissed from their jobs in March 2022
- **Over two thirds** of respondents (71%) believe that the 'fire and rehire' of workers on lower wages should be illegal
- **Almost two thirds** of people (63%) now have a worse opinion of P&O Ferries than before March 2022
- **Almost two thirds** of respondents (64%) believe that P&O Ferries' CEO and directors should face prosecution for unlawfully dismissing seafarers from their jobs
- **59%** are now less likely to travel with the company than they were prior to March 2022



The Fair Ferries Strategy

In response to the actions of P&O Ferries, Nautilus launched its Fair Ferries Strategy, a framework to create good quality employment and a level playing field in the ferries sector, something overwhelmingly supported by the UK public, according to the union's research.

The framework demands improvements in five areas to ensure that the ferry sector does not find itself in the same situation again.

1. A collective bargaining revolution

With 85% of people believing that seafarers working in the UK should have equal employment rights as shore-based workers, Nautilus believes that a balanced but ambitious strategy towards collective bargaining would encourage social dialogue between unions and employers in each country of operation.

The Fair Ferries Strategy proposes an industry-wide framework linking the right to operate a ferry service with union collective bargaining, ensuring pay and conditions that are reflective of local standards in the countries on the ferry route, not international minimums. This would encourage the employment of local seafarers.

Introducing collective bargaining on this scale would stop operators like P&O Ferries from treating workers as expendable, while ensuring a competitive environment for businesses to flourish. Collective bargaining would create a true 'level playing field' that encourages a race to the top rather than a continuation of destructive competition that drives a race to the bottom in employment and safety standards.

2. A real cost for misconduct

The media and the public's response to the developing situation in March 2022 was to strongly condemn the actions of P&O Ferries, putting the UK's maritime sector in the spotlight – something that is rare for an often 'out of sight, out of mind' industry.

Nautilus's research only serves to highlight this public support, with three quarters of respondents to the survey believing that P&O Ferries treated workers unfairly when they were sacked and two thirds now having a worse opinion of the company than before March 2022. In fact, more than half of the UK population report being less likely to travel with the firm now, with these findings emphasising that acts of unfairness transcends people, regardless of their background, justifying necessary reform.

Whilst this impact clearly has a cost to the company's reputation, and potentially its bottom line through reduced passenger numbers, legal sanctions appear to be sufficiently weak that P&O Ferries simply calculated the cost it would have to pay for refusing to consult with unions and for unfair dismissal cases, then factored that into its redundancy offers. This sets a very dangerous precedent that companies can pay their way out of complying with the law.

The survey results were clear: almost two thirds of respondents (64%) believe that P&O Ferries' CEO and directors should face prosecution for unlawfully dismissing seafarers from their jobs. The public demands properly enforceable sanctions for corporate misconduct. However, on 19 August, the UK Insolvency Service announced it would not be seeking a criminal prosecution against P&O Ferries. This is a disappointing decision that will be met with frustration and anger by the seafarers brutally sacked and the public who support prosecution for the disgraceful actions and clearly want P&O Ferries held accountable. We note the civil investigation is ongoing and we hope this investigation will result in P&O Ferries being held accountable through the justice system.

3. An end to fire and rehire

A whopping 83% of respondents to the survey believe that fire and rehire should be illegal, with this practice seen as a glaring gap in UK employment law.

Some commentary has suggested that fire and rehire isn't relevant in the P&O Ferries situation, yet more than 90 of the dismissed maritime professionals were offered re-employment with P&O Ferries through the Malta-based crewing agency International Ferry Management.

The UK government has stated its intention to introduce a statutory code of practice which must be followed in carrying out dismissals, with a 25% uplift in compensation for failure to do so, but this makes little difference when companies can buy their way out of a tribunal process.

4. Action on the minimum wage

A massive 94% of respondents to the survey believe that seafarers working in the UK ferry industry – regardless of where they live – should receive the same wages and employment conditions as other workers.

Based on contracts seen by unions, P&O Ferries is paying a basic hourly rate of £4.35 – below the £5.15 quoted by its CEO Peter Hebblethwaite in the joint transport and BEIS select committee and representing less than half of the UK National Minimum Wage (NMW).

This narrow issue has been the focus of government action and is included in the Department for Transport's nine-point plan to 'Protect our Seafarers'. This plan centres on extending the NMW to cover seafarers and creating minimum wage corridors between the UK and international partners.

This is a welcome move, and Nautilus has long called for such measures to underpin and support the employment of UK seafarers. However, action on the minimum wage alone will not be enough to make operators rethink their employment practises. This is why Nautilus's Fair Ferries Strategy must be implemented in full for the sake of the sector and those working within it.

Fair Ferries now!

A clear message is emerging from this survey of the public: the government must take action to ensure that the P&O Ferries scandal is not repeated.

The events of March 2022 should be a warning to every single one of us. If the weak employment laws in this country are not addressed, thousands more jobs are at risk in a race to the bottom, turbo-charged by the cuts in salaries and conditions introduced by P&O Ferries.

Nautilus International believes that its Fair Ferries Strategy would create a sustainable future for the ferry industry,

stopping operators like P&O Ferries from treating workers as expendable while ensuring a sustainable and competitive environment for businesses to flourish.

This would create a true 'level playing field' that encourages a race to the top, rather than a race to the bottom in employment standards. Given the strategic importance of our ferry services to an island nation, it is a goal worth fighting for.

- To find out more about Nautilus International and its Fair Ferries Strategy, go to www.nautilusint.org





About Nautilus International

Nautilus International is an independent, influential, global trade union and professional organisation, committed to organising and campaigning for maritime and shipping professionals, delivering high quality services to members, and maritime welfare support

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