

Low Pay Commission 6th Floor Victoria House Southampton Row London WC1B 4AD

12<sup>th</sup> September 2012

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Dear Sirs

## Re: LPC Accommodation offset inquiry 2012

Nautilus International is the trade union and professional organisation representing 24,000 (18,000 in the UK) Masters, Officers, Officer Trainees (Cadets) and other maritime professionals including Marine Pilots and YTS personnel.

I should be grateful if you would take the following comments into account in the review of the National Minimum Wage Accommodation Offset.

First of all I have seen the comments made in the submission by the TUC on the issue of deductions for accommodation where the worker has no choice about taking the employers accommodation. The TUC gives the extreme example of such charges being made to seafarers where the RMT has found that many employers deduct the accommodation offset for the use of the cabin while on ship.

First of all Nautilus is extremely concerned to hear about such charges being made. It is quite clear that seafarers do not have a choice about whether or not to accept accommodation on their ship. It may be that the RMT are referring to foreign ships (possibly flagged in the Bahamas) but such charges have never been made in modern times on UK ships.

UK VAT Reg No. 872 4139 18

Nautilus International also administers the Nautilus Welfare Fund and the J W Slater Fund which are registered charities

Mark Dickinson MSc (Econ), General Secretary
Mission Statement:

The Nautilus International mission is to be an independent financially viable international trade union and professional organisation, committed to equal opportunities, providing a high quality, cost-effective service to members, and welfare to needy seafarers and their dependants.



Legislation such as the Merchant Shipping Act 1995 and earlier regulations such as Merchant Shipping (Seamen's Wages and Accounts) Regulations 1972 (SI 1972/1700) make specific provisions when deductions are permitted from seafarers wages. If parliament had intended that deductions could be made for accommodation then this is where such provisions would have been set out and there are no such provisions in respect of charges for accommodation.

Nautilus would ask for an amendment to the National Minimum Wage Act 1998 (NMWA) to provide express protection against such charges being made both on UK ships (in case this were to happen in the future) and on foreign vessels. Nautilus has been very much involved in urging the Government to extend the NMWA to seafarers on foreign flagged vessels and it has been accepted that this is legally possible on an *in personum* basis where the seafarer has a close working connection with the UK. Not only would we want the NMWA extended to such seafarers to grant them the NMW but also express provision made to prevent any deductions being made for accommodation.

It should be noted that in some cases some of these seafarers may be being supplied by UK based employment agencies which should enhance HMRC enforcement in such cases.

I do hope that you are able to take these comments into account in this consultation.

Should you require clarification then please do not hesitate to contact me.

Yours sincerely

Charles Boyle

Director of Legal Services

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