



OFFICIAL REPORT
AITHISG OIFIGEIL

Net Zero, Energy and Transport Committee

Tuesday 15 November 2022

Session 6



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NET ZERO, ENERGY AND TRANSPORT COMMITTEE
30th Meeting 2022, Session 6

CONVENER

*Edward Mountain (Highlands and Islands) (Con)

DEPUTY CONVENER

*Fiona Hyslop (Linlithgow) (SNP)

COMMITTEE MEMBERS

*Jackie Dunbar (Aberdeen Donside) (SNP)

*Liam Kerr (North East Scotland) (Con)

*Monica Lennon (Central Scotland) (Lab)

*Ash Regan (Edinburgh Eastern) (SNP)

*Mark Ruskell (Mid Scotland and Fife) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Martyn Gray (Nautilus International)

Gordon Martin (National Union of Rail, Maritime and Transport Workers)

CLERK TO THE COMMITTEE

Peter McGrath

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Net Zero, Energy and Transport Committee

Tuesday 15 November 2022

[The Convener opened the meeting at 09:46]

Declaration of Interests

The Convener (Edward Mountain): Good morning and welcome to the 30th meeting in 2022 of the Net Zero, Energy and Transport Committee.

First, I welcome Ash Regan, who joins us as a member of the committee. Ash replaces Natalie Don. On behalf of all members, I thank Natalie for her support, for her keen interest in all the issues that we have been dealing with, and for being—from a convener's point of view—an easy member. I hope that all members of her new committee are as helpful to her as she was to me. I place that on the record.

As Ash Regan joins us for the first time, I invite her to declare any interests.

Ash Regan (Edinburgh Eastern) (SNP): Good morning, convener. I have no relevant interests to declare.

Decision on Taking Business in Private

09:47

The Convener: Item 2 is to decide whether to take in private item 4, which is consideration of the evidence session that we will hear today as part of our inquiry into Scotland's ferry services. Do we agree to take item 4 in private?

Members *indicated agreement.*

Ferry Services Inquiry

09:47

The Convener: Item 3 is an evidence session for our inquiry into a modern and sustainable ferry service for Scotland. I refer members to the papers for this item. This is our fourth evidence session.

We are pleased to be joined by a panel of trade union representatives, to hear their views on ferry services. I welcome our witnesses, who are joining us remotely: Martyn Gray, executive officer, Nautilus International; and Gordon Martin, regional organiser and lead officer for CalMac Ferries at the National Union of Rail, Maritime and Transport Workers.

Thank you for accepting our invitation. We will ask a series of questions. I will give you the opportunity to answer a very simple one: are you happy with the way in which CalMac recognises the hard work of your members who provide its ferry services?

We will start off with Martyn on that, to be followed by Gordon.

Martyn Gray (Nautilus International): Good morning, and thank you.

Are we happy? Our members are happy with the way in which CalMac recognises the work and effort that they put in, daily, to keeping Scotland moving and connecting remote island communities. Our members are proud to work for CalMac and they are proud to work for the people of Scotland in helping them to get to where they need to be. It is interesting that their interactions with members of the travelling public have become a little more strained in recent times, partly because of the reliability of the fleet and other issues that it has been experiencing, but our members always remain professional and they have at heart the best interests of the safety of the travelling public and of making sure that people get to where they need to be.

Our members could be happier, but they are satisfied and certainly very proud to work for CalMac and for the people of Scotland.

The Convener: Thank you. I think that Gordon Martin is having problems with broadband, so he is going to be audio only. Over to you, Gordon.

Gordon Martin (National Union of Rail, Maritime and Transport Workers): Good morning. Can you hear and see me?

The Convener: We cannot see you, but we can definitely hear you.

Actually, now we can see you—that is perfect. We can see and hear you. Good morning and welcome. I am happy to let you answer that question.

Gordon Martin: Thank you for the opportunity to give evidence today. A number of issues are at play in the ferry sector, particularly at CalMac. We have vessels 801 and 802, which should have been running some time ago but are not currently. There is no resilience in the fleet. When vessels break down, passengers, islanders, tourists and so on can get upset about that. The situation is putting pressure on everyone, and we have just lived through a pandemic that has put huge pressure on the front-line CalMac workforce.

However, overall, it is fair to say that CalMac is a reasonable employer that looks after the staff reasonably well, at times aided and abetted by the trade unions to ensure that that happens. Therefore, to answer your question, although things are a bit difficult and strained and not where we would like them to be, when we compare CalMac to some other ferry operators—the committee will be aware of the bandit capitalists at P&O Ferries, who unceremoniously sacked the whole workforce—the answer is yes.

The Convener: Okay. I will take that comment, but we will park it, because there is nothing that we can do about that, although I am sure that we all have strong views on the issue.

Monica Lennon has the next question.

Monica Lennon (Central Scotland) (Lab): Good morning. I remind the committee that I am a member of the RMT parliamentary group.

We have heard a little today and in writing about the impact that the unreliability issues are having on front-line staff—on your members. Just for the record, will you elaborate on that? What does it mean day to day for front-line staff in each of your unions when the travelling public “get upset”, as Gordon Martin put it?

Gordon Martin: Obviously, the situation is putting stress and pressure on front-line workers. When things do not go the way that people expect, they very often take out their frustration on those who do not deserve it, whether that be workers at supermarket checkouts or front-line ferry workers. The situation has been very difficult, and we have had to raise the issue with the company at managing director level and with the Minister for Transport, because people are being threatened physically and verbally, which is not acceptable, and we want the company to do everything that it can to avoid that. The only real way that it can do that is to build in resilience and get additional vessels so that, if something goes wrong somewhere, an alternative vessel is ready and able to be used to take the pressure off everyone.

Monica Lennon: You mentioned physical and verbal threats, which sounds very serious indeed, and you have touched on how something could be done about that by building in resilience. What more could be done to change that behaviour? Clearly, it is not acceptable for members of the public to behave like that towards anyone. Could anything else be done in the short term to address that?

Gordon Martin: Unfortunately, these are societal problems. However, for bank holidays and at particularly busy times, the police and additional security have been made available at certain terminals to ensure the safety of port workers, in particular, as people wait to get on and off ferries.

Monica Lennon: What is your perspective on that, Martin?

Martyn Gray: First, it is important to recognise that, whenever there is a delay or a missed sailing—every time that there is an issue with the ships—our members and the people who work on the ferries are as frustrated with the situation as the passengers and travelling public. They do not want to cause people delays—and, indeed, they are not the ones who are causing them. We want to operate a safe and reliable ferry service for the people of Scotland. That is all that our members want to do—operate safe and reliable ferry services that get people from where they are to where they need to be in a timely way. Because of issues with vessels, the lack of resilience, the upswing in passenger numbers, the lack of investment in infrastructure, the expansion in port infrastructure to cope with large vessels on those routes that have picked up and other factors, we are finding ourselves in a situation that is causing passengers to take out their frustration on our people. That is not right.

CalMac tries to deal with the situation robustly where it can, but physical threats from passengers are not uncommon when delays occur. It is really important that we take this opportunity to stress to the committee and to the travelling public that we—our members—are on their side and want to get them from where they are to where they need to be in a timely way. People need to remember that our members are not responsible for issues on board; they are trying to deal with them, fix them and get things up and running and moving again so that people can be where they need to be. We really want to get people where they need to go, but the problem is that, sometimes, we cannot do that in a safe way.

The abuse that our members have been recently subjected to include threats to drive into them, to run them over or to forcibly board the ferry, as if that will help the situation or get them to where they need to be. I get that there is a lot of anger and frustration, that the situation is hurting

people financially and socially and that it is having a significant impact on the mental and physical wellbeing of island communities, but our members really want to support those communities, get them moving and keep their economies going. After all, that is why ferry services are essential.

It is therefore important that we remember that these situations, and the delays and problems that they lead to, are equally as frustrating for our members.

Monica Lennon: Before I move on to my next question and explore some of the short, medium and long-term solutions, I have to say that you and Gordon Martin have painted quite a bleak picture that sounds very stressful and potentially very dangerous for the workers whom you represent. My understanding is that we have a shortage of seafarers, but you have just described threats of violence, including threats to run over people with cars. No one should have to put up with that. Are people leaving the sector as a result? Is it making it harder to retain people? You have said that people are very proud of their work, but how much more can they put up with?

Martyn Gray: That is an excellent question. We are starting to see people reach their limit; they are considering their retirement options earlier than might have been expected or they are looking for opportunities that do not involve dealing with members of the travelling public, owing to the levels of abuse that they have received. In certain sectors or in certain specialties, there might be a shortage of skills to operate certain vessels, but the situation can be compounded by the impact of the levels of abuse that are being received. Nobody should have to put up with abuse in the workplace, so it is essential that this work gets done, because it will make things a lot better for individuals. They will want to go to work and do the best that they can do.

10:00

A lot of this is about what more everyone can do with regard to understanding what is causing issues and how much control individuals have over those issues. When a vessel does not sail, that decision is not an arbitrary one that is taken on a whim. It is a significant call to stop a sailing because of a breakdown, a mechanical difficulty or something that is not safe. Such decisions are made to protect people, rather than to inconvenience them.

If abuse continues to be piled on and there are consistent pressures in operating what could potentially be unsafe services, we are looking at a situation in which the application of commercial pressure to operate vessels that might not be safe to operate could lead to disaster and catastrophic

consequences for the travelling public and for all our members and workers on board, were something to go terribly wrong on a ferry while it was sailing when it probably should not have been.

The knock-on consequence of continued abuse is that it could lead to a situation in which, when someone is making a very fine judgment call on whether it is safe to sail, they do not err on the side of caution. If such a decision was made incorrectly, that could potentially lead to disaster and loss of life. Therefore, we must be extremely careful. We are very supportive of our people who make the decisions on the ground, who know that safety should be the primary concern when it comes to operating the services in question.

The Convener: Before I bring in Gordon Martin, I want to build on something that Monica Lennon said. There will not be a single person around the table who would condone the activities that Martyn Gray is suggesting happen on boats. Regardless of how frustrating the situation is, everyone is entitled to a safe place of work. It is important to put that on the record. You have the support of the committee on that.

Has the situation become more acute in the past five years, or has abuse of staff always been a problem? It would be helpful if you could give a very short answer to that.

Martyn Gray: Yes, the level of abuse has increased over the past five years, and it has increased even more in the post-pandemic period. That is in line with the unreliability of the vessels and the increase in breakdowns and other issues.

Gordon Martin: There is undoubtedly a shortage of seafarers across the piece. At CalMac, the call-back rate, which involves people who are on their time off being asked to go back to work to keep services operating, is through the roof. That is also a problem at a number of other ferry operators.

CalMac has been good at taking on apprentices. This year, it took on 20, and it has taken on 20 in previous years. I hope that it will increase the number of apprentices, because Scotland is a sea-going nation. The west coast islands need to be serviced, and CalMac is the operator that provides that service. As people get older and leave the industry or get disillusioned and leave the industry—that is happening—we need to encourage other people to replace those workers. We need to train them, to get them in situ and to ensure that this essential lifeline service continues to deliver to the very best standards that the committee expects and, more important, that the people of the west coast islands expect and deserve.

Monica Lennon: I want to ask you about what needs to be done in the short term, the medium term and the long term. I think that it was Martyn Gray who talked about underinvestment. What do the priorities for longer-term investment need to be? Is there underinvestment in ferry services? If so, can you put any figures on that? It would be helpful to hear the views of both of you on those issues, starting with Gordon Martin.

Gordon Martin: It is clear that, as well as investment in vessels—new tonnage—we need equal investment in the staff. The RMT convener at CalMac has often said to the company—he is 100 per cent right—that it is not just the vessels that need to be looked after; the staff are being overworked, because there are not enough of them. As I mentioned, call-back means that people who should be resting are asked to get back to work to ensure that the services continue to sail. That is unsustainable in the long term.

Investment in new tonnage is, of course, very important, but investment in the staff is equally—indeed, probably more—important, because they are human beings who need to be given a work-life balance.

During the worst of the Covid situation, when seafarers from some of the islands went home for a few weeks—or whatever period—off, they did not go into the family home because they were terrified of spreading Covid. That puts enormous pressure on people.

That is looking back the way. Looking forward, we need to be prepared for every eventuality. That means real investment in the staff, including the apprentices. As I have said, there are currently 20 of them a year, which is good—that is better than what most other companies have—but that could be stepped up for the range of skills that are needed to keep CalMac as the iconic leading brand that it is at the moment.

Martyn Gray: It is sad to look through the list of CalMac vessels and see just how many from the 1970s and 1980s are still being operated. Those vessels are operating in some of the harshest environments under normal commercial terms. They get a battering, as they have done for 30 to 40 years, and they are being maintained and eked along past their normal lifespans. Their lifespans have been extended beyond what would be expected.

Typically, a ferry will operate for 25 to 30 years. A bulk of vessels are becoming past their prime already, because there was seemingly no plan to invest in new tonnage as it needed to come along. That has changed with hulls 801 and 802, although they have been significantly delayed. More tonnage—more vessels—needs to be invested in. However, as Gordon Martin said, skills

are important, too. Investment in people is important, to make sure that they have the right skills and training for operating those vessels.

It is also important that decisions need to be made now on the future operations of those vessels. How the routes will look and the types of vessels that are operated will have a significant impact on Scotland's strategy to achieve net zero by 2045. A lot of things that are tied into decisions that are being made now will have long-term consequences, because of the operational lifespans of the vessels.

In the past, there have been issues with coming to decisions. Now is the time to start making the right decisions to empower a transition to a low-carbon or decarbonised ferry sector for CalMac and to support a just transition for its workforce, maintain the high-quality and highly skilled jobs that people are going to want to do, and build in an inherent reliability that will support the travelling people of Scotland, including those in the remote and vulnerable island communities that depend on those services.

The Convener: I have to try to keep all my committee members happy by allowing them to ask as many questions as possible, which means that I implore them to ask short questions. I have to ask Martyn Gray and Gordon Martin for short answers so that I can get them all in. Everything that you say is critical, but if you can condense your answers, that will save me from having to deal with the committee afterwards.

Jackie Dunbar (Aberdeen Donside) (SNP): I will keep my questions short. That was me being told beforehand.

Good morning and welcome. I will go to Martyn Gray and Gordon Martin in that order, because that is how I see them on the screens. What discussions have your unions had with Transport Scotland about the forthcoming islands connectivity plan?

Martyn Gray: I will bear in mind the convener's guidance about being brief.

We have regular communication with Transport Scotland on a variety of subject matters. Our lead national organiser for CalMac has frequent discussions with Transport Scotland and the relevant transport minister on that and a variety of other matters. There is regular communication. There could be more, but there could also be a lot less.

Gordon Martin: I concur with Martyn. Meetings take place, and correspondence is exchanged. There could be more, of course. We have regular meetings with the Minister for Transport and her Transport Scotland officials. We also have regular meetings with CalMac at the senior level, including

the managing director level. Matters related to the islands connectivity plan are discussed at all those meetings. Of course, we would always welcome more action and more discussions on those matters.

Jackie Dunbar: What is your union's view on the possible unbundling of the Clyde and Hebrides ferry services in any future tendering exercise? What is the reasoning behind your union's view, whether it is for that or against it?

Gordon Martin: We are totally opposed to any unbundling or privatisation of the CalMac contract. We are fully in favour of all Scottish ferry services being in public ownership, because that provides a better service, it offers more resilience through the broad shoulders of the public sector, and it avoids the race to the bottom.

I mentioned P&O. There have also been issues with Pentland Ferries. It had a ferry on the water to which it had made unauthorised adjustments, which it was trying to pass on to CalMac. We had to bring that to the attention of the Maritime and Coastguard Agency.

We are very much in favour of having a public service ethos under one operator: CalMac. Unbundling will not work. It is difficult enough to get seafarers to crew the vessels at the moment. If the services were unbundled and we had a race to the bottom, some islands would get virtually no service while communities that were served by the more profitable routes would get a better service. Therefore, we are totally opposed to unbundling and totally in favour of a people's CalMac.

Jackie Dunbar: Thank you for that. Martyn, what are your union's views on that?

Martyn Gray: Unbundling would lead to a risk of companies cherry picking which services they wished to tender for and operate. There would be a large amount of competition among those companies that tendered for the highly profitable—and potentially lower-cost—routes, with operators of last resort being left with the rest, which would provide minimal service levels. That would mean that we would not have the same universal standard of service.

Although the unbundling of services might lead to an improvement in services for a limited number of communities, it is likely that, for the majority of communities, things would get worse, as there would be no guarantee as part of that process that there would be the necessary resilience and back-up. However the unbundling took place, there would be lots of small pockets of organisations that would have lots of other issues to do with their ability to tender for other contracts and to look for alternative or back-up tonnage. They would be less resilient with regard to vessel movements,

based on the need to service different communities.

Unbundling could lead to significantly worse services for some communities and marginally better services for others. In all events, it would create a two-tier system. With CalMac, we have universal provision and coverage, whereby decisions can be made to move vessels around to keep lifeline services operating wherever possible. That has knock-on impacts for some communities in limiting services, but it enables an overall basic level of service to be maintained that meets people's basic needs. Unbundling could put that at risk.

The Convener: Thank you. We will move to questions from the deputy convener, Fiona Hyslop.

Fiona Hyslop (Linlithgow) (SNP): Good morning, and thank you for joining us.

My first question is for Gordon Martin of the RMT. The Scottish Government has said that it does not want services to be unbundled. That view has probably been informed by concerns about the experience with the privatisation of rail and other services. A proposal that has been floated is that one or two ferry services—certainly a small number—could be operated by a social enterprise or community-owned company. What are your views on that?

10:15

Gordon Martin: As I have said, we are totally supportive of the creation of a people's CalMac, by which I mean the company as it currently sits but with more islander influence and workplace representation on the board to ensure that the current situation improves.

The delayed hulls 801 and 802 are the real issue in all of this. If they were normal diesel propulsion vessels, they would be on the runs now, and we would not be having a lot of the problems that we are having.

However, we should not be taking a hammer to CalMac because of short-term problems elsewhere. Unbundling in any way, shape or form would be a mistake. Even on currently profitable routes, an operator would not have the broad shoulders of the rest of the CalMac organisation to come to the rescue as the vessels got older or if there were any mishaps. As I have said, we are totally in favour of a people's CalMac, which is CalMac but with better governance.

Fiona Hyslop: Do you think that the demand for community-owned companies and social enterprises to operate ferries is just a reaction to the disconnection that you have highlighted and that what is needed is closer connection between

the users, the workforce, the islanders and CalMac?

Gordon Martin: I agree 100 per cent. If it were not for the delayed hulls 801 and 802, a lot of those problems would not exist. However, they do exist, and a lot of the island communities are feeling a bit left out and isolated. It appears to me that, in some of the island communities, business leaders are pushing their business agenda rather than the welfare of the whole island community. We need to get vessels on the runs as soon as we possibly can and get a proper governance regime in place at CalMac that meets the needs and aspirations of the islanders—and, obviously, speaking as a trade union official, I would say the workforce, too.

Fiona Hyslop: I will stay with you just now, Gordon, but I put Martyn Gray on standby, because I want to ask him the same questions.

All of this leads us on to project Neptune, of which there has, I think, been a great deal of criticism. However, it has delivered a report that contains extensive information. Is there anything that can be taken from project Neptune that would help to deliver better outcomes? I want to concentrate on what we want for the future rather than on what we do not want.

Gordon Martin: There is a strong hint in project Neptune that Caledonian Maritime Assets Ltd and CalMac should become one entity instead of their being separate, as they currently are, and I think that everybody probably recognises that that would be a good thing.

We have commissioned a report from Professor Findlay and her colleagues at the University of Glasgow to look at the benefits, if any, and the downsides of project Neptune. That report will be issued early in the new year. I do not know what the protocol is—and I do not know whether I am able to do this—but I would like to invite the committee to attend the report's launch. Professor Findlay and her team have already established beyond reasonable doubt that CalMac should be a single operator in the public sector and should not be unbundled in any way.

Project Neptune is a distraction really, but the good bit in it is the possibility of bringing CMAL and CalMac together. While CMAL is away ordering and doing stuff to vessels, CalMac and the trade unions are being cut out of the loop, and nobody wins in that situation.

Fiona Hyslop: I am sure that the committee will be very interested to see that report, but we would need to liaise with the RMT about the timing, given that, in January, we will probably be coming to a close with the inquiry.

The Convener: You are being extremely diplomatic, deputy convener. We were just discussing earlier this morning our having five more evidence-taking sessions, but I think that we would very much like to see the report, even if we cannot attend its launch. Thank you for the invitation, though.

Fiona Hyslop: If you do not mind, convener, I want to put the same two questions to Martyn Gray from Nautilus International. First, Martyn, what is your critique of the proposal to have a social enterprise or community-owned company take on one or two services? Secondly, is there anything from project Neptune whose taking forward into the connectivity plan would be a positive move?

Martyn Gray: The problem with social enterprise and community companies is that, although things work well when times are good, they sometimes lack the direction and experience that are needed to steer them through problems when times are bad. A community group might be able to operate a ferry service when things are going well, but there are a lot of regulatory requirements and complexities that require highly skilled and specialised people, and you will end up needing to replicate that skill and knowledge eight, nine or 10 times for an unbundled service—or even 26 times, if you unbundle things on a route-by-route basis. Finding sufficient people who can take the lead is problematic, and there will be worse outcomes for taxpayers, given the additional costs and the extra funding that might be required.

Unbundling, even with a social enterprise or community group, will be a challenge, which I think could be avoided if you look at the interactions that CalMac has with community organisations, to ensure that people feel as represented as they need to be, in support of services.

Project Neptune points out that there is a lot of complexity in the current operating structure for ferries in Scotland. You could simplify that, with reference to the inputs of Transport Scotland, CalMac Ferries, David MacBrayne Ltd and Caledonian Maritime Assets Ltd. You could consolidate and try to generate extra savings by putting things under one umbrella, which could work better and have all the strategic direction, resourcing and empowerment that it needed, and which could feed into community groups to ensure that they were represented and got the service that people needed.

The structure could also feed into trade unions better, to ensure that the workforce was empowered and had the input that it needed to be able to deliver quality ferry services—because the workforce knows how to deliver quality ferry

services; we have the skills and the experience, and we do it on a daily basis.

I do not think that unbundling, as has been alluded to and suggested through project Neptune and elsewhere, is the way to deliver a ferry service in Scotland that works for the Scottish people in the way that one service through CalMac will do.

Fiona Hyslop: Thank you.

Mark Ruskell (Mid Scotland and Fife) (Green): In answer to a previous question, Gordon, you said that you felt that unions and ferry workers have been cut out of the procurement process. Do you want to say more about that? Has there been no engagement at all with workers and unions, or has engagement been ineffective or badly handled? I will bring in Martyn Gray after you have responded.

Gordon Martin: With new-build vessels, what we get is a fait accompli. We see the drawings and so on once things are past the design stage and they begin to cut steel, so to speak. We have argued that, time after time, people make the same mistake. They should get us involved. We should be able to talk about crew accommodation, including for apprentices, but because things are left too late, there is very often not enough of it. That leads to all sorts of other problems; for example, we have to try to get accommodation in hotels, which can be very difficult at times.

We think—and we have said, time after time, as have our colleagues at Nautilus—that we should be involved right at the start of the process. If that happened, we would avoid making these mistakes time after time.

The Convener: Can I just clarify something? Are you referring particularly to vessels 801 and 802, or do you mean all ferries?

Gordon Martin: No, I was not referring to a particular ferry. My comments include the Islay vessels and others that are coming on stream. It is a general issue.

The Convener: Thank you. I am sorry to have interrupted, Mark.

Mark Ruskell: What specifically would such involvement look like, Gordon? Is there a particular phase in the development and procurement of a new vessel in which you could provide input? You have talked about the initial specification. Is there good practice on that from elsewhere? Can you tell me what that input would look like for your members?

Gordon Martin: I will give you an example from a Government industry—the rail industry. If they are gonnae build a new depot somewhere, the RMT is involved right from the outset, with our industrial and safety representatives looking at the

designs and drawings. They look at the walkways and so on, and say, “Okay—this will work, and that won't work.” That is missing from the maritime sector and the ferry sector at CalMac.

My background is in rail infrastructure. With any new depots, I would know before the first bit of soil was dug what the plan was and what was going to be there. We do not get that foresight with the ferries—we get a fait accompli. We are told what is happening, and then we need to try to make the best of it together.

Mark Ruskell: That was helpful. Martyn, do you want to respond?

Martyn Gray: We need to be more involved at the concept stage and in the concept and development of what the service is going to look like and where the vessels are planned to operate. Our members have skill and experience in operating in those sectors and can, at that stage, point out issues that are likely to arise.

Speaking from a technical perspective, I would point out that vessels 801 and 802 are planned to have dual-fuel usage. We could have highlighted, back when the plans were on-going, that the Government would need to commence training cycle development and look at upskilling and reskilling people to ensure that they would be able to operate dual-fuel liquefied natural gas vessels well before the vessels came on stream, so that everything would be in place and the vessels could seamlessly fit in where they needed to go.

We would also have been able to point out any issues with the positioning of accommodation. For example, when accommodation is positioned towards the rear of the vessel, you will tend to get vibrations when you manoeuvre in and out of port. On a live-aboard service, when crew accommodation is positioned towards the rear, the vibration that comes from the propeller when the vessel manoeuvres every three or four hours breaks up sleep and fatigues the crew. As a result, you are not delivering a safer service in the way that you could if you were able to look at such issues.

With other companies, we have been involved at a much earlier stage than we were with CalMac. Those companies will approach us far sooner and say, “We're thinking of building a vessel—these are the ideas that we have come up with for the requirements.” They also ask, “Can you or your members give us any guidance on the best positioning or make any other input into these plans?” with reference to crew facilities, accommodation, layout and so on. With CalMac, we do not get the level of engagement that would, because we have the expertise, be beneficial for everyone.

Mark Ruskell: Thank you—that was very useful.

Moving on to climate targets, I noted the comment in the RMT submission that there is no maritime sector transition plan for how we are going to meet net zero in respect of that part of our transport emissions. How would you like to see such a sector plan develop? Are there any particular challenges that you would zoom in on at this point? I go back to Gordon Martin on that.

Gordon Martin: Obviously, we would like to get there as soon as possible, if the technology is there to enable us to do so. However, as the experience with 801 and 802 has shown, if the technology, or the means of installing it in a vessel, isnae quite right at this time, we end up in real difficulties.

I think that, for a period of time, there will need to be a mix of traditional marine diesel, battery-operated hydrogen or whatever it might be. We all want to get there, but we have an immediate problem now, as people cannot get from A to B very easily in some cases, because of a lack of resilience, which is driven partly by issues with trying to fit LNG tanks on the 801 and 802. If those vessels had been designed to use marine diesel, they would have been on the runs the now and a lot of these problems could be gone. However, we need to acknowledge that we need the technology to cut the carbon footprint, so to speak, and get us there as soon as possible.

My point is that we need to be realistic. If that means that we will have to run with marine diesel for a period of time to keep the service operational, I am afraid that that is what we will have to do.

10:30

Martyn Gray: The complexities of the marine sector mean that we urgently need to develop and confirm a sector plan. Vessels that are coming on stream now will be around in 2045 and, because of their inherent design, will contribute to greenhouse gas emissions. As a result, we will need to incur extensive expense to retrofit newer technologies that will support alternatives.

On the other hand, we could get our approach locked down to where it needs to be, have a clear strategy and plan in place, start looking at sectors where we could operate pure electric or areas where we could operate our hybrid blend and consider other factors such as alternative fuels, as long as we were not compromising safety. We could then have something meaningful in place to enable us to minimise the contributions made by transport and ferries to the emissions picture by the 2045 target.

Nautilus is extensively involved in work on climate change and a just transition. We work with the International Transport Workers Federation in developing what that should look like and ensuring that any such transition with regard to decarbonisation will have a positive impact on working people. We absolutely want to work with stakeholders in Scotland to ensure that decarbonisation of transport will be beneficial for all working people, including our members who will be operating the services well into the future.

Mark Ruskell: That was very useful. Any further detail that you have on the just transition work will be of particular interest to this committee. I agree with your point that workers need to be at the heart of the conversation on such a transition.

My final question is about the road equivalent tariff, and I will go back to Gordon Martin to ask it. In your submission, Gordon, you stopped short of saying that RET should be scrapped, but you made quite a good case for that to happen. Some people in island communities might agree with you on that, given RET's impact on demand and so on. Is that your position? If it is, should the Government consider something different from RET that could do the same thing but in a slightly different way and without the unintended consequences? I am interested in fleshing out whether you have a fixed view on RET.

Gordon Martin: I do not think that we want it abolished. Let us be honest: it has made ferry usage a lot more affordable. However, it has had unintended consequences for certain islands, some of which effectively become car parks in the summer because of the volume of road traffic going over, and it then becomes difficult for people there to get about. Like many other things, RET was the right idea, but it has perhaps had unintended consequences that we need to address.

We do not know the answer to that problem. We want the ferries to be used and to be affordable to foreign tourists and people visiting the islands from Scotland as well as to the islanders themselves. However, RET has created problems and there has been a bit of a backlash from the locals on Skye and elsewhere, where the volume of road traffic going over has made life virtually impossible for them at certain times of year.

Mark Ruskell: Thank you. I put the same question to Martyn Gray.

Martyn Gray: RET has been a victim of its own success. It has absolutely achieved the intended aim of making ferry travel affordable and comparable with other means of transport while not disadvantaging island communities by ensuring that they have the connectivity that

people need to get to where they live and work in Scotland.

As Gordon Martin has pointed out, though, there has been a downside, with complexities and challenges arising such as the upswing in tourism traffic and people wanting to get about. Again, that is not a bad thing, but RET could benefit from a review to ensure that, as we move forward, it is fulfilling its intended consequences, is developing ferry traffic in Scotland and is fair for all who use ferry services while remaining supportive of the vulnerable island communities that they are there to help.

The Convener: Would our deputy convener like to come in on that point?

Fiona Hyslop: RET has been successful in bringing lots of cars over. We have heard it suggested that it might help with the pursuit of net zero and, indeed, reduce the impact of excess carbon if we were to encourage people to leave their cars on the mainland and made electric cars available for use on the islands. Gordon Martin, what is your view on that?

Gordon Martin: That is the first time that I have heard that. If it is feasible, why not? I assume that you mean that there would be electric cars for hire on the islands.

Fiona Hyslop: Yes.

Gordon Martin: I think that that could be a good idea, but it depends on numbers. After all, 100 electric cars take up the same space as 100 diesel or petrol cars and the volume of traffic can be a problem at times. All in all, though, it is not a bad idea.

Fiona Hyslop: Because families going across to the islands often take many cars, it is felt that such a proposal would reduce the number of cars on the islands. Martyn, do you have any comment to make?

Martyn Gray: I have heard that new idea, but I would just say that, if we are going to have a comprehensive transport strategy, we probably want to encourage more people to use reliable and frequent public transport and mass transit solutions. A hydrogen or electric bus that can carry 40 or 50 passengers and which can go where it needs to on an island will take perhaps 20 or 30 cars off it. If individual vehicles can be hired, I do not see why mass transit cannot be improved, too. It would have knock-on benefits for island communities out of season as well as remove seasonal traffic.

Better mass transit is probably a better and more sustainable solution if we are aiming for net zero by 2045, because having a lot of electric cars available for hire would have other knock-on impacts due to lithium mining and the exploitation

of the mineral resources that are required to make them. Mass transit is probably the solution, as opposed to having multiple electric cars in situ.

Fiona Hyslop: The same would apply to getting people to the ferries on the mainland, as well as to what happens on the other side of the water.

Perhaps the two of you can give me a one-word answer to this question: should the islands connectivity plan that is being developed go wider than just ferries and look not just at what transport means on the islands but at connectivity to ferry ports on the mainland, too? Would your unions agree to that?

Martyn Gray: My one-word answer would be yes. It would need to be far more encompassing, but yes.

Gordon Martin: Absolutely. We are in favour of integrated transport.

The Convener: Liam Kerr will ask the next group of questions.

Liam Kerr (North East Scotland) (Con): Martyn Gray, we heard Gordon Martin talking earlier about on-board accommodation, and you have already talked about vibration disturbing people's sleep. Is there any practical reason why people live aboard vessels instead of using onshore accommodation?

Martyn Gray: There are quite a few reasons why companies opt to have people live aboard rather than in accommodation on shore. For a start, companies would have to invest significantly in shore-based accommodation. If a vessel were to change route because of a resilience issue or because of different timetables in summer and winter, as happens on some routes, the company would have to make sure that it had lots of accommodation blocks in island centres. However, they would go unused for certain periods of time.

Having live-aboard crews and the ability for everyone to muster effectively doubles the number of people available to assist with passenger evacuation or to respond to an emergency situation on board. It is quite often a lot easier to deal with a problem if there are more hands.

I would say therefore that live aboard is a safer and more resilient option. If something goes wrong while the vessel is in transit—if, for example, there is a fire or a need to evacuate—only the crew members who are on board can deal with it. It is better to have crew on board who are working and others on board who are resting. You can call all hands, have far more people available and thus be far more effective in dealing with and responding to an emergency.

Having accommodation that you can flex up in response to, say, short-term increases in

passenger numbers might be useful, and that could be an option on some routes at some times. However, as I have said, the safest, most practical and best solution is to ensure that the vessels that are being constructed now have high-quality live-aboard accommodation. It allows for the right number of people to be on board at all times and ensures that those who are resting are able to do so and can be rested, that those who are working are able to do so without fatigue and, should the worst happen, that you have enough people to be extremely efficient at dealing with any emergency.

Liam Kerr: I just want to press you on that for my own understanding. Does the fact that crew live aboard have any impact on their status? Does it make them seafarers for the purposes of the Maritime Labour Convention, for example, or does it have an impact on national insurance and the applicability of any tax advantages as a result of being employed out of Guernsey?

Martyn Gray: You will forgive me, but I do not think that Caledonian MacBrayne operates any service that would need to comply with the Maritime Labour Convention, simply because of the routes that it operates on. I do not believe that there is a need for it to comply with all aspects of that convention, but I believe that it chooses to do so, because it recognises it as the bare minimum that any operator of ships should aspire to.

I am not qualified to provide you with an answer to your question about national insurance, because it is not my area of speciality. I am but a simple marine engineer who works for a trade union.

Liam Kerr: That is fine. Thanks for that. Gordon, I am going to throw the next question to you, but if you have anything to say on national insurance, by all means do so. I appreciate that it is rather technical.

The committee understands that the decision whether a vessel sails in inclement weather rests entirely with the master. What does the master consider in taking such a decision? Have those considerations been formalised anywhere?

Gordon Martin: The master is in control of the vessel, so its safety and the safety of the crew are the number 1 priority. If the weather is so bad that the captain—or master, if you prefer—decides not to sail, that decision lies totally with them. CalMac supports the masters in that, as do all the other ferry operators that I am aware of. Their maritime professionalism is the last word on whether it is safe to sail. If it is not safe, the ship will not sail.

Liam Kerr: I assume from that that nothing has been formalised and it is just, as you have said, a matter for the master's professionalism. Do any of the relevant unions and/or any company policies

have any influence over the master in making that decision?

Gordon Martin: No, not to my knowledge.

Liam Kerr: Do you have anything to add, Martyn?

Martyn Gray: Yes. When deciding whether a vessel is safe to sail, masters will take a lot of different factors into consideration, including the weather at the present destination, during passage and at the vessel's final destination. Other considerations include whether the weather is changeable or the wind is gusting, the power and capacity that the vessel is operating at present and its mechanical reliability. All of those are taken into consideration in determining whether the captain is confident that they will be able to sail the vessel from where they are to where they need to be without harming the passengers, the crew, the vessel itself or the marine environment. Those are the key considerations for a captain in what is a very fine balance of analysis.

10:45

It would be very difficult to introduce some formal process or formula to cover that, as the circumstances vary from day to day. There might be an issue with, say, a fuel injector on one of the engines, meaning that power is restricted to 80 per cent of the engine's output for that sailing while the equipment is repaired or swapped at the next port. In ordinary times, the captain might have said, "We're on the limit, but I think I can do it" or "Mechanically, I don't think it's safe on this occasion, so I don't think it's right for us to go."

So much has to be taken into consideration. Such decisions are made before every sailing, looking at the prevailing conditions and circumstances. You have to be highly skilled to make that kind of nuanced call, and there is a reason why it takes years of training, development and experience to be a captain or a master. That is why CalMac rightly ensures that it trains us to the highest possible standards and that development continues throughout a captain's or master's career.

Liam Kerr: That was helpful. I am very grateful.

The Convener: I am just looking around the committee to see whether anyone else wants to ask any questions. I have a couple of points on which I seek clarification, after which I will ask a couple of questions.

Gordon, you said that you had direct contact with Transport Scotland. Does that include direct input into the islands connectivity plan? Have you seen the draft plan? Are you building into it, or are you just making more general comments on it?

Gordon Martin: If memory serves, we have made written submissions as well as having meetings with Transport Scotland, the minister and so on.

The Convener: So, do you feel that you are absolutely involved in the formulation of the plan

Gordon Martin: Yes, I do—we do not have any complaints at this stage.

The Convener: Okay. That was not a trick question; I was just wanting clarification on exactly where we are at.

I was interested in the deputy convener's point about connectivity to and from the ports. I am assuming that that will include a single-ticketing thing, so that people can buy tickets at the outset to get them right the way across—which is possible.

I want to go back to a point that both Gordon Martin and Martyn Gray made regarding involvement in the early design. On vessels 801 and 802, CalMac made a specification to CMAL, which tightened that up, had it approved by Transport Scotland and then put it out as part of the tendering process. When were the unions involved in that? Was that before CalMac put up the spec, subsequent to CMAL's modifications or after Transport Scotland's modifications? Perhaps you could clarify that for me, Martyn and Gordon.

Martyn Gray: I would be delighted to give you an answer to that in writing, as I want to get it correct. I do not have that information to hand, and I want to ensure that I give you the right information, so I will follow up in writing, if I may.

The Convener: Thank you. I think that it is important, before steel is cut, the spec is put out and the price is agreed, for you, as unions, to get your input to the right place.

Do you want to clarify that point, Gordon, or would you give me the same answer as Martyn Gray?

Gordon Martin: I will give you the same answer, as I am not sure when we were involved in relation to those specific vessels.

The Convener: Okay. I will come to Monica Lennon in a minute, but I will continue on vessel 801. Part of the design of 801 is crew accommodation, which has been described as being vitally important. There has been mention—or there have been discussions—that vessels 801 and 802 might be double crewed in the future. However, there is no double-crew accommodation and single crewing might not allow for the crew who are on down time to have uninterrupted sleep, which means that it takes them longer to come back on duty. Is that the case? Do you have

concerns about the ability of 801 and 802 to be double crewed?

You are on screen, Gordon, so we will start with you.

Gordon Martin: We do have concerns. Our position—our belief—is that there should be suitable accommodation for a double crew, for all the reasons that Martyn Gray alluded to earlier. I would also point out that accommodation ashore, as well as being very expensive, can be very difficult to get. In addition, as Martyn has said, that takes away from the muster list in the—we hope—unlikely event that something goes wrong. We therefore believe it imperative to have suitable on-board accommodation on every vessel.

The Convener: Martin, do you have any particular comments about the design of vessels 801 and 802? You are right to say that they will still be around in 2045, after they eventually come into service.

Martyn Gray: I do not think that I have anything further to add; Gordon Martin summed things up quite nicely, and I am acutely aware of not trying to use up too much time.

The Convener: Monica, did you want to come in here? I have a couple of questions that I want to ask, too.

Monica Lennon: Thank you, convener. I was just looking through our committee papers; we have received a lot of written submissions to the inquiry, but I want to highlight one in particular to Gordon Martin, as it talks about the RMT. We had a couple of submissions that were quite critical of the role of trade unions, and the RMT in particular, and I wanted to give Mr Martin the chance to respond.

One submission says that

“Radical thinking and action is required ... and a means found to remove the outdated controls and stranglehold imposed upon Cal-Mac by the RMT union who only seek to operate in the past.”

Another goes on to say:

“tax payers are getting extorted by union run calmac”.

What is your response to that, Gordon, from an RMT perspective?

The Convener: I will certainly let you answer that question, Gordon, and I am absolutely sure that, as a union representative, you are robust enough to comment on why you think that view is wrong. Perhaps we can have a quick answer, though, as I am not sure that the committee will be going too deeply into that particular question.

Gordon Martin: Okay, I will be very brief: that is not true. We have a good working relationship with CalMac and good relations with island

communities. Indeed, we should bear in mind that a lot of our members in CalMac live on those islands. To say, therefore, that we have some kind of stranglehold and that we live in the past is inherently untrue. We welcome progress in every sphere in which we operate, and we definitely do not want to live in the past; we want good, sustainable jobs both now and way into the future. We ain't no dinosaurs and whoever is portraying us as such is ill informed and ill advised.

Monica Lennon: It was helpful to get those comments on the record, given the submissions that have been made. Thank you, convener.

The Convener: We went to Arran the other day, and I felt that the set-up and speed of turnaround of the MV Caledonian Isles proved how quickly that sort of thing could be done when the design had been correctly thought out. Martyn, can I push you slightly on that? Is that one of the benefits that you see of early involvement in the design of ferries, because you know what actually has to be done by the people on the ground?

Martyn Gray: Absolutely. Many people have worked on the routes for decades, and they have a deep understanding of where the hold-ups and points of snagging are and where efficiencies can be made to make everything just that little bit smoother and safer, which all adds up to a better service for travelling people. That is what needs to be done.

You can design a vessel by committee in an office and get what you think that you need, but it might turn out not to be if you have not checked with the people who will be responsible for operating it day in, day out, and who know the snags in the existing fleet and the issues with the existing infrastructure. They can point them out and say, "If that was designed this or that way, we could turn the boat around five or 10 minutes faster." In summer, that can mean an extra run over an hour and a half or two hours, meaning many more people being transported across, much more for a local island economy and much more efficiency.

A lot of different things can be built into the process if you bring your people along with you. Indeed, we have seen in other countries and companies how the workforce get brought in at the concept stage.

I did that when I was working at sea with a large shipping company. That company will bring in working crew to discuss vessel design, vessel layout and equipment that is being used, to make sure that it accounts for and tries to improve any issues that crew have experienced in the past, to try to make things better and more efficient—because the company recognises that that will have benefits for everybody.

The Convener: Okay. I will bring in the deputy convener, and then I have a final question—unless anyone else has a question.

Fiona Hyslop: Thank you. Martyn Gray, do the terms of the Clyde and Hebrides and northern isles ferry services contracts unduly limit the ability to respond to customer needs? Does there need to be more decentralised decision making about what happens in problem situations? Might there need to be more flexibility in the new contracts, once they are tendered, to give more decision-making powers locally, with operations being informed by the crew? Might that help to resolve issues?

Martyn Gray: The honest answer is that it would depend on the circumstances. There are potentially benefits to having more localised, on-the-ground decision making, but there are also drawbacks. As with anything, you have to consider carefully the consequences of a decision that is made locally but has a knock-on impact elsewhere. Take the Clyde and Hebrides services, for example: a local decision to swap over vessels might have knock-on impacts elsewhere, so it is challenging to make local decisions for those services, because you must balance the needs of an entire route sector. The northern isles ferry service is slightly different.

The answer is yes and no, or no and yes, depending on the circumstances. There is a time and a place for local decision making and, where that could be beneficial, that should be empowered. However, where there are knock-on consequences elsewhere, it makes more sense for decision making to be centralised, so that competing priorities can be balanced and we can ensure that we maintain a broad operation of service for vulnerable island communities.

Fiona Hyslop: Gordon Martin, might there be some way of making greater flexibility part of the new contracts, with the new tendering? I suppose that we want responsiveness that provides for decisions that are informed, safe and more practical.

Gordon Martin: There is certainly scope for that, as long as the local and national elements converse with each other and come quickly to joint decisions. As we have said, a people's CalMac should include island representation and workforce representation on its board, to make it more responsive.

You mentioned going to tender. CalMac is wholly owned by the Scottish Government, and under the Teckal exemption, which we have spoken to you about in the past, there is no need to tender. To avoid all the uncertainty, we think that there should be an award to CalMac, with investment over a long, sustained time, in the

vessels, and—equally important—in the crew. That is the way forward. No other way will succeed.

Fiona Hyslop: On the basis that we do not expect there to be a tender and that new contracts will be issued, we should consider how the contracts could be improved. Time is limited, but if there is anything that the RMT or Nautilus think should be in the new contracts, to improve them and to provide flexibility, we would be interested to hear your views. We have to make recommendations, and there is to be a new connectivity plan, as well as new contracts.

The Convener: We have heard evidence that smaller ferries, and more of them, would be more responsive to island needs and would allow us to flex up and down at peak periods, rather than having one big ferry that—as with 801—can take 1,000 passengers, which is not always needed. Do the witnesses support our having smaller, more flexible ferries that could work across the entire fleet? Should we be considering that approach for our sustainable ferry services?

11:00

Gordon Martin: We need a mix-and-match approach. On some routes, a bigger vessel is needed, because of the sheer volume of people and road traffic. However, the harbours must be fit for purpose, but some of them are not. Some of those are owned by local authorities. It is about taking a holistic approach that includes different vessel types and sizes, as well as harbour developments. We need to look at the whole lot, rather than trying to do bits in isolation. It would be great to sit down to look at it holistically, right across where it is needed, to make it the world-class service that it should be, for the people who rely on it.

Martyn Gray: It is a challenging set of circumstances, which, as Gordon Martin has said, requires a lot of mix and match. Sustainability is key. Although having a lot of small vessels might increase the flexibility to operate in and out of more ports, that would also increase maintenance costs, as there would be more vessels to maintain, and it would increase the fuel bill, as more vessels would be operated. In addition, unless you are looking to use hybrid sustainable fuels or alternative fuel technologies, you would end up increasing your carbon emissions on each route, if you were operating more smaller vessels—unless you were working significantly more efficiently on those routes.

A larger vessel can bring economies of scale but, again, there can be issues if that vessel comes off service. The key thing is to mix and match, as Gordon has said. More small vessels

will be needed, but, fundamentally, a holistic look is needed across the piece to ensure that the infrastructure and the vessels are in place, and that vessels are developed that are fit for the future, based on size, passenger need and—*[Inaudible.]*—so that there is something that works on most of the routes most of the time.

A challenging optimisation analysis needs to be done, but having a lot of very small vessels will not necessarily be the answer, because that would cause issues elsewhere when it comes to sustainability and the ambition for net zero by 2045.

The Convener: My final question is about NorthLink Ferries, which we have not really talked about. One hears very little about it, so the assumption is that there are good relationships between employers and staff. Is that your understanding? I will also ask that question of NorthLink, when we see it, but do you have any views?

Martyn Gray: With regard to NorthLink's operation of the northern isles ferry services, we have good industrial relations with the organisation and frequent communication with it. Mostly, it operates the service to the satisfaction of those who use it. In recent times, it has been fortunate not to experience issues, whereas CalMac has been unfortunate. However, it also has marginally more modern vessels at its disposal. Operating on longer routes gives more availability when it comes to dealing with any issues. The ferries have longer days in port, which impacts less on timetabling issues. If four or five hours need to be spent on repairing mechanical issues, that is built into the schedule, whereas that is not the same on the west coast.

Gordon Martin: Exactly as Martyn Gray has alluded to, the vessels sail for longer, from Aberdeen to Shetland, dropping into Orkney a couple of nights a week, and they are in port all day, so the work that needs to be done can be done. CalMac is a different animal altogether. It has shorter, quicker turnarounds. It is not comparing like with like.

Like Nautilus, RMT has good industrial relations with NorthLink. It is a well-led organisation. There are no issues whatsoever. However, as I said, we would like to see the whole ferry service in Scotland coming under the one remit of a nationalised ferry service, which would bring economies of scale for things such as dry docking and vessel procurement. We believe that that is the way forward.

The Convener: We are at the end of our time. Thank you for your input this morning and for all the evidence that you have given. Both of you have offered to submit further evidence to the

committee, and we would really appreciate that, once you have had a chance to do it.

That concludes the public part of our meeting.

11:04

Meeting continued in private until 11:28.

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