



STRONGER TOGETHER

Amicus Section

National Sector Conference 2008

Shipbuilding Report

**Hilton Brighton Metropole Hotel
Wednesday 4th June
Osborne Room**

DELEGATE LIST

<u>Del No</u>	<u>DELEGATE LIST</u>	<u>Region</u>	<u>Region Number</u>	<u>Employer</u>
1	Dave Williamson	North East	1	A & P Tyne Ltd

2	Ian Bestwick	East Midlands	2	Rolls Royce Marine Power
4	Paul Reid	East Midlands	2	Rolls Royce Marine Power
5	Alan Horton	South East	4	VT Shipbuilding
6	Joe O’Gorman	South East	4	Fleet Support
7	Chris Elliot	South West	5	Babcock DML
8	John Hicks	South West	5	Babcock DML
9	John Homeyard	South West	5	Babcock DML
10	Mike Tabb	South West	5	Babcock DML
11	Phil Bateman	North West	7	BAE Systems
12	Derrick Dewhurst	North West	7	BAE Systems
13	Dave Hill	North West	7	BAE Systems
14	Guy Milligan	North West	7	BAE Systems
15	Azza Samms	North West	7	BAE Systems
16	Billy Waddell	North West	7	BAE Systems
17	Jim Conroy	Scotland	8	Babcock Marine
18	Ray Duiguid	Scotland	8	Rosyth Royal Dockyard
19	David Hill	Scotland	8	BAE Systems
20	Billy McKay	Scotland	8	BAE Systems
21	Mark McKenzie	Scotland	8	BAE Systems
22	Chris McNeil	Scotland	8	Rosyth Royal Dockyard
23	Duncan McPhee	Scotland	8	BAE Systems
24	Derek Torrie	Scotland	8	Babcock Marine

Apologies were received from:

<u>Del No</u>	<u>DELEGATE LIST</u>	<u>Region</u>	<u>Region Number</u>	<u>Employer</u>
3	Steve Doughty	East Midlands	2	Rolls Royce Marine Power
1	Harry Bell	North East	1	A & P Tyne Ltd

1. General Secretary’s Report

The General Secretary stated that Unite was the key campaigning Union in Britain.

In pensions, manufacturing, anti-privatisation, affordable housing, dignity at work, anti-racism and international affairs, Unite had led the way leading to real gains for members like the pension protection fund and the financial assistance scheme and like the re-linking of state pensions to average earnings.

The Union had launched a major new initiative to establish equality reps at the workplace particularly targeting young members. This was essential to counteract the rising average age of members and activists.

The Union had also left behind its reputation of signing sweet heart agreements over the heads of members and no longer interfered in lay democracy at Conferences. Agreements were now only signed in accordance with members instructions.

Members and reps controlled the Union's sector structures. Sectors had industrial autonomy - essential in a Union as diverse as Unite. This sector structure has been incorporated into the new rule book and had been enhanced by the creation of area conferences and committees. The Union was in the hands of the reps.

Politically, Amicus had led the creation of the big four - Unison, T&G and GMB. This had created the necessary unity to start to win the argument at Labour Party Conference. Now it was the norm for all four trade union motions to be carried whereas in the past they had all been lost. Unfortunately the Government normally refused to take any notice.

This new trade union unity had been directly responsible for the improvements in pensions and recently for the new agency and temporary workers directive.

The directive not only helped the most vulnerable - it also protected the well organised. If agency and temporary workers were no longer cheaper - with lower wages and without entitlement to pensions or holidays - this protected the terms of others.

The directive would also be safe from an incoming Tory Government.

Recent political developments were not surprising. The Crewe by-election result was due to rising fuel and food prices, the credit crunch, the problems in getting a mortgage and the lack of affordable housing.

The Government had the wrong policies and priorities. They listened to the CBI too much and did not have policies which appealed to Unite members.

However, the return of the Tories would be far worse. The General Secretary gave the example of the recent Grangemouth dispute where members' pension terms were threatened. Members were able to take industrial action and win.

That would all change if the Tories were returned. Look at Australia where the Howard government had hamstrung the unions. Cameron had brought Howards main advisor over to get ready to do it to us.

The only alternative to Labour was the Tories so we needed to gain influence to change Labour. The General Secretary outlined our strategy - which only the unions could deliver.

A key element was making sure union activists became MP's. Another element was organising and recruiting.

Our recruitment figures were substantial (250,000 recruited in three years) but due to the general decline in manufacturing and finance our net numbers were falling.

The General Secretary reported on the campaign at Rolls Royce Liverpool - which has been threatened with closure due to offshoring. The Rolls Royce Combine

Committee wanted to take action but that would have been illegal. That had to change.

Recent European Court judgements were very worrying - the Laval case in Sweden and the Viking case in Germany were particularly damaging.

Laval went to Sweden and brought in workers from Eastern Europe - posted workers. Their agreement was significantly inferior to the agreements in Sweden - the unions in Sweden had the right previously to take action to enforce better nationally agreed terms. But the European Court of Justice ruled it was illegal.

We have had difficult disputes over here too - take the Wembley dispute where the employer wanted to undercut the national agreement. Members took action without a ballot leaving the union with no alternative to repudiate.

With this European ruling, even if members had balloted it would have been illegal to try to force an employer to honour national rates.

Our Construction members will be thinking ahead to the Olympics when there could be thousands of workers from eastern Europe coming over.

We have told the Prime Minister members don't believe the Government is on their side (we asked our members and 77% said they voted Labour last time but only 35% were going to next time). They don't want to tackle big business. So we have to win the argument in Europe too.

The General Secretary also referred to a third problem and gave the example of Peugeot. Peugeot had a plant at Ryton in Coventry where one third of Peugeot models were made. Two thirds of their models were made at their plant in Slovakia where wages were lower.

So Peugeot decided to transfer production to Slovakia with the loss of 2500 jobs in Coventry and many more lost in parts and supplies.

Our government had no control over international companies like Peugeot. That is why we see international mergers - with the steelworkers in America for example as essential.

The General Secretary then took questions from the floor.

2. Introductions and National Officer's Welcome

Bernie Hamilton, National Officer, welcomed delegates to the conference and introduced the platform.

He then outlined the agenda for the conference and highlighted the main domestic arrangements. He then continued to explain that this was the last, but by no means least, National Sector Conference for the Shipbuilding sector as progress towards full integration into Unite continues.

3. Election of Chair

One nomination was received and Azza Samms (Delegate 15) was elected as Chair.

4. National Report - Bernie Hamilton, National Officer

Bernie began by summarising the achievements of the sector over the last two years. During this time the shipbuilding membership of Unite has become a unified fighting force winning new contracts and making a strong case for future job security. The shipbuilding industry in the UK is now in a stable condition with orders progressing through to 2014 and even 2016 in some cases.

However there are also challenges which must be addressed. Consolidation in the submarine, ship repair and shipbuilding sectors continues and members must prepare for the coming conclusion of the Type 45 programme.

Nevertheless the peaks and troughs in demand in the sector which have led to cycles of job insecurity have been largely evened out. Particular tribute was paid to Lord Drayson for delivering sustainability for the industry while balancing the needs and demands of taxpayers during his time as Minister for Defence Procurement.

In the future the sector will be faced with uncertainty as MoD contracts will be smaller and competition for export orders with Spain, Germany and the US intensifies. The question for the UK shipbuilding industry will be how to produce ships that are attractive to the world market as at the moment the sector specialises in unique and complex projects.

The replacement of the nuclear deterrent will be one means of reshaping the submarine industry. Workers in this particular sector will face many of the same challenges that were faced by workers in the rest of the shipbuilding sector in the recent past. The demands of new technology and employers taking decisions about the number and locations of facilities will lead to a period of restructuring and change.

Specific issues that are present throughout the labour market persist are also affecting the shipbuilding sector. The use and misuse of migrant and temporary workers at companies such as A&P Tyne mirror the challenges faced by workers having their terms and conditions eroded across the labour market. In Tyne and Falmouth there have been instances of Polish workers living in substandard accommodation and being paid less than the minimum wage. Unite will continue to challenge such employers and support the membership to get fair and equal treatment for all workers.

All of the companies represented at the national sector conference are part of the wider debate about the future of the whole shipbuilding sector. The CSEU has been instrumental in bringing together all of the major players under the leadership of John Wall. In noting John's retirement, Bernie paid particular tribute to the guidance he has given to him as National Officer.

5. Guest Speaker: John Wall, General Secretary, CSEU.

John began by explaining that while Amicus, and now Unite has been by far the largest union involved in the Confederation of Shipbuilding and Engineering Unions, it was not the only union in the sector. The involvement of the GMB, Prospect and UCATT means that the CSEU continues to be necessary.

John acknowledged that it has not always been easy to agree on a strategy for the sector and the means of achieving goals and there remain challenges to the running of the CSEU. Bernie Hamilton has grasped the remit of National Officer incredibly quickly and has developed good relationships both within Unite and with outside players, including the CSEU and politicians.

Predictions for the future of the industry include more consolidation and the need to maintain a consistent and effective political voice. Defence is not a popular electoral issue and the shipbuilding sector must work hard to maintain support.

Within unions members must maintain strong organisation and embrace staff grades and temporary workers. The structure and operation of combines will also have to be examined.

6. Guest Speaker: Rob Johnston, Director Shipbuilding, Steel, Non Ferrous Metals, IMF

Rob explained his role within the IMF and his responsibility for the commercial and military shipbuilding sectors globally. In many other countries the use of agency labour and precarious working practices have led to unrest, notably in Washington during May 2008, where Indian workers marched in protest at appalling conditions. The need for international solidarity with partners such as the USW is vital.

Health and safety concerns also continue to dominate the international shipbuilding sector. In the US workers are three times more likely to be killed at work than in the UK and in China workers are thirteen times more likely to die at work. Highlighting the risks and working conditions of shipbreaking workers in India has been a major project for the IMF.

There are also demands to consider the industry's environmental responsibilities and to balance these duties with the expansion of trade and the rise of China as an industrial power. Currently China specialises in low value vessels but is eager to move into the higher end of the market through acquisition or investment in competitor countries.

Rob also paid tribute to the work that has been done by John Wall during his time as CSEU General Secretary.

7. Consideration of Sector Motions

(1.) UK SHIPBUILDING INDUSTRY

This conference acknowledges that the Labour Government has helped the shipbuilding industry in the UK by providing the current Ministry of Defence (MoD) programme of work.

It is strategically important that we preserve the shipbuilding, engineering and design capabilities within the UK for the future of the industry.

There is a requirement for further ships to be ordered by the MoD for the Military Afloat Reach and Sustainability (MARS) programme and they are currently considering placing these orders outside the UK.

The trade unions have previously been assured by the government that the MARS programme would be used as infill work if there are any gaps in the workload while the current programmes are underway and to help sustain the industry going forward.

This conference calls on the National Executive Council to use all its influence to ensure that the government places MARS contracts and any other MoD shipbuilding contracts within the UK to support and maintain the UK shipbuilding industry.

SCOTLAND

**Mover: Duncan McPhee (Del 23)
Seconder: Mark McKenzie (Del 21)
Motion Passed Unanimously**

(2.) SHIPBUILDING AND THE DEFENCE INDUSTRIES

This conference calls on the National Executive Council to campaign in support the UK's Defence Industry.

There is a concerted campaign, lead by the Guardian News and Media Ltd; The campaign against arms trade; ET AL, to remove manufacturing jobs from the UK by taking Britain out of the Defence Market.

The protection of manufacturing jobs in the UK has been one of the major focus points of our union with lobbying and rallies taking place all over the UK there are over 10,000 highly skilled jobs in shipbuilding in Barrow, the Clyde, Rosyth and Devenport, not to mention thousands of jobs in the supply industry who will be at risk if this campaign for disarmament achieves success.

NORTH WEST

**Mover: Guy Milligan (Del 14)
Seconder: Derrick Dewhurst (Del 12)
Motion Passed Unanimously**

(3.) UK DEFENCE INDUSTRY

This conference calls on the Executive Council to continue to lobby UK Government with a view to maximising the importance and priorities of the Defence Industrial Strategy (DIS) ensuring support for a long term maintenance and development of the UK defence manufacturing industry.

SCOTLAND

**Mover: Raymond Duguid (Del 18)
Seconder: Chris McNeil (Del 22)
Motion Passed Unanimously**

(4.) BUILDING & MAINTAINING

This conference proposes that after the aircraft carrier build, the UK Government should commit to building and maintaining British warships and RFAS in British yards and to invest in skills technology and training for the workers in those yards.

SOUTH EAST

Mover: Alan Horton (Del 5)

Secunder: Joe O’Gorman (Del 6)

Motion Passed Unanimously

(5.) UK SUBMARINE INDUSTRY

This conference calls on the union to support the Defence Industry Strategy White Paper to maintain our sovereign capability in Nuclear Submarines.

The Union should lobby Government to maintain the Submarine Nuclear Deterrent Programme. This will safeguard thousands of primary contractors and their supply chain.

EAST MIDLANDS
Mover: Ian Bestwick (Del 2)
Secunder: Paul Reim (Del 4)
Motion Passed Unanimously

(6.) TRIDENT REPLACEMENT

This conference calls on the National Executive Council to support the Government decision to order trident replacement submarines as a platform for a nuclear deterrent.

The evidence is strong that several nation states have invested in nuclear weapons and their delivery systems, giving the potential for the UK to be at risk over the next 50 years Britain must have the ability to deter any such threat.

The protection of manufacturing jobs in the UK has been one of the major focus points of our union, with lobbying and rallies taking place all over the UK 10,000 highly skilled jobs in Barrow, Faslane and Devonport, not to mention thousands of jobs in the supply industry will be at risk if the Trident replacement is scrapped.

NORTH WEST
Mover: Bill Waddell (Del 16)
Secunder: Mike Tabb (Del 10)
Motion Passed Unanimously

8. Guest Speakers: Felix Antillano, Aluminium Workers Union, Venezuela & Mary Briceno, National Federation of Health Sector Workers, Venezuela

Mary talked about the great advances that have been happening for workers since the beginning of Chavez's Bolivarian Revolution. Trade union rights and freedoms have progressed strongly and the government is truly representative of workers. Chavez has introduced legislation that allow trade unions to support and improve the communities within which they are active in areas such as education and health.

The future for the working classes in Venezuela looks very positive and trade union activists have been forming strong international links. Mary reiterated the globalisation theme of the General Secretary's speech earlier in the day and emphasised that with the global reach of capital there should be a similar expansion of worker solidarity.

Felix addressed the negative stories perpetuated in the media and the press aimed at undermining the Venezuelan people and their government. Felix explained that before Chavez came into power only 5% of Venezuelan workers were unionised. Now over 25% of workers are trade union members. Venezuela is seeking to create a 21st century version of socialism with participatory democracy at its heart. In the future it is hoped that all Latin American people will be united against capitalism.

9. Guest Speaker: Rob Miguel, Unite Health and Safety Unit

Rob outlined his role as Health and Safety Adviser with specific responsibility for the Shipbuilding sector. He gave an overview of recent developments in health and safety legislation including the new corporate manslaughter law and the union's efforts to increase safety representatives' rights.

Rob also discussed changes that have been made to the operation of the Health and Safety Executive, its prospective change of location to Bootle the pressing need for more inspectors and better powers of enforcement.

Future Unite campaigns on health and safety will focus on improvements to Local Exhaust Ventilation, environmental and climate change issues, compensation for asbestosis victims and for a shipbuilding committee to address industry specific areas of concern.

10. Elections

Election results were as follows:

a) Unite delegation to the 2008 TUC (11th - 14th September in Brighton)

Delegate: Chris Elliot (Delegate 7)

Substitute: Mark McKenzie (Delegate 21)

b) Shipbuilding National Sector Committee

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Standing Orders

The following Standing Orders have been approved by the Conference Arrangements Committee for use at National Sector Conferences

1. The mover of a motion shall be allowed five minutes and the seconder and subsequent speakers three minutes each. No delegate shall be allowed to speak more than once on any motion except the mover who shall have the right of reply.
2. Next business, that the vote be taken or other such procedural motions may be moved and seconded by any delegate who has not previously spoken during the debate. There shall be no speeches on such motions.
3. Emergency motions shall be put in writing to the General Secretary for the attention of the Conference Arrangements Committee. No such motion shall be deemed an 'emergency' that is connected with circumstances which could have been dealt with by any conference/committee allowed to forward motions for the agenda.
4. All nominees in conference elections shall be individually nominated.
5. All delegates will be allocated a numbered seat and will retain that seat for the duration of Conference.
6. There shall be no smoking at Conference and all mobile phones should be switched off at all times during Conference.