

Industrial Sector Aerospace & Shipbuilding

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Industry profile

Aerospace & Shipbuilding industry:

- Turnover in excess of £22.2 billion per annum
- Manufacturing exports worth £15.45 billion to the UK economy
- Highly developed supply chain employing more than 140,000 people
- R&D expenditure amounted to £1.7 billion in 2010, a 7% drop on 2009
- UK has one of the largest aerospace industries in the world, 2nd only to the USA
- Highly skilled and technologically advanced workforce

Trade union profile

- Unite has members within the aerospace & shipbuilding sectors
- Other union with membership GMB

Major organised employers:

Aerospace

Rolls-Royce BAE Systems GKN Bombardier EADS Astrium
Airbus Augusta Westland GE Thales

Shipbuilding

BAE Marine Babcock Rolls Royce

Collective bargaining:

- Most sites are single site agreements, with some degree of national bargaining.
- Unite is affiliated to the European Metalworkers Federation (EMF) and the International Metalworkers Federation (IMF)

Skills

The aerospace & shipbuilding sector in the UK has a tradition of high-level skills, with over 30% of workers educated to degree level and more than 11% involved in R&D.

The sector suffers from skills gaps, skills shortages and an ageing workforce.

The sector has one of the best and oversubscribed apprenticeship systems in the UK.

Unite believes the future of the sector is predicated on sufficiently educated young people coming through with the relevant qualifications, as such government must ensure the UK education system provides those opportunities to young people, balancing the supply of graduates with vocational training and apprenticeship schemes.

Sector skills council: Semta

Key sector issues

The most significant issue affecting the sector are the cuts to public spending and the outcome of the Strategic Defence and Security Review (SDSR). Unite has submitted evidence to government about the wider economic impact of wholesale cuts to the UK defence budget.

With the problems of skills gaps and shortages there must be a focus on long term strategic skills and training programmes to ensure workers have the opportunity to up-skill and re-skill.

The sector requires a second Defence Industrial Strategy (DIS) to provide for a clearer joint understanding across government, industry and the unions regarding the technologies and capabilities that are essential to retain jobs and expertise in the UK.

Unite believes that aerospace should be regarded as a strategic industry for the UK and a cornerstone of a government led manufacturing strategy. The industry needs the right conditions for investment, research and development and

assistance with launch aid for large projects.

Government support for retraining and restructuring during downturns in a cyclical industry would ensure the UK retains and enhances key skills and capabilities.

The Unite National Industrial Committee has produced a Charter for aerospace & shipbuilding workers. The Charter lays out Unite demands for workers in the sector and will give a focus to the campaigning and political lobbying work of the sector.

The European Union has taken steps to open up the defence market in the EU, as such they have produced a Code of Conduct which seeks to introduce the principles of the European

Community. It is hoped that this will break down some of the protectionist strategies currently employed by some member states allowing the industry to become less dependent on the US market.

Pay settlements in the aerospace & shipbuilding industry.

Company	% Uplift	Date
Rolls Royce – Derby	5%	1 April 2011
Babcock Marine	4.9%	1 April 2011
GE Aviation	2.5%	1 January 2011.
Spirit Aerosystems	3%	1 January 2011.