

# Industrial Sector Vehicle Building & Automotive



**National Officers: Roger Maddison & Tony Murphy**

## Industry profile

### Vehicle Building & Automotive industry:

- Over 40 companies manufacture a range of vehicles in the UK
- Over one million cars and commercial vehicles are produced in the UK each year
- The industry has a turnover of £52 billion per year
- VBA produced £10 billion value added to the UK economy
- Over £1.5 billion is spent annually on R&D by automotive companies
- The industry has the fourth highest R&D spend in Europe
- The UK automotive sector exports to over 100 markets worldwide

## Trade union profile

- Unite has members within the VBA sector
- Other union with some membership: GMB

### Major organised employers:

Ford	Vauxhall Motors UK	Honda	Toyota	Jaguar/Landrover	Leyland Trucks	
Nissan	Rolls Royce	Alexander Dennis	BMW	Bentley	Aston Martin	IBC

### Collective bargaining:

- Many companies have single site agreements
- Jaguar national bargaining
- Ford national bargaining

**International bodies:** International Metalworkers Federation (IMF), European Metalworkers Federation (EMF)

---

## Skills

The vehicle building and automotive sector in the UK has a tradition of high-level skills, with workers up-skilling and re-skilling in response to new and highly technological production methods.

The sector suffers from skills gaps, skills shortages

and an ageing workforce. Many of the large companies in the sector have excellent apprenticeship schemes, working hard to encourage women, adults (who want to re-train) and those from minority ethnic groups to apply.

**Sector skills council:** Semta & IMI

## Key sector issues

In the face of the worst recession in living memory the VBA sector underwent a period of concerted re-trenchment which saw a significant number of pay freezes agreed across the sector in an attempt to protect jobs and sites. The sector has now seen a great improvement in investment and sales and as a result there have been a number of high profile pay settlements across the sector.

The sector has a large number of overseas companies based in the UK and as such is particularly prone to threats to shift production abroad. The sector has consistently requested a level playing field with the rest of the EU, where some member state government's support and invest in their VBA companies.

The sector is consistently campaigning to ensure

the UK becomes a centre of excellence for the production of hybrid and electric vehicles. To ensure this happens government must work with the sector to install the infrastructure needed to encourage people to buy electric cars.

The sector suffers from a supply chain which is based in the far east, as such an extensive and high grade supply chain within the UK is needed to ensure the VBA sector benefits from excellent quality goods and services and on-demand time scales.

It is imperative that government uses the procurement process to support the VBA sector; there is no other country in Europe which does not procure its own vehicles for the public services.

## Pay settlements in the vehicle building and automotive industry

Company	% Uplift	Date
Bentley Motors	4.75%	1 February 2011
Jaguar/Landrover	5%	1 October 2010 (2 year deal)
Nissan	7%	1 January 2010 (2 year deal)
Toyota	4.3% + 2.8% non consolidated lump sum	1 April 2011 (1 year deal)