

**Industry Profile**

Employees: 400,000                      Chemicals - 250,000                      Pharmaceuticals - 150,000

Largest industry in manufacturing sector:

Accounts for 11% of value added of total manufacturing sector

Accounts for 2% of GDP

Invests over £2 billion per annum (14% of all UK manufacturing investment)

Spends £3.5 billion per annum on R&D

Pharmaceutical industry in UK leads world in innovation

Half of major medicines sold in UK were developed in British laboratories

Pharmaceutical Market fragmented; only one company has a 10% share of UK market.

**Trade Union Membership:** Amicus 28,000 members

Other major unions: TGWU and GMB

Membership: Process workers/technicians/engineers/admin/scientists/lab workers

**Major organised employers:**

Chemical Industry: INEOS; ICI; Rhodia; Syngenta; Avecia; Sanofi-Synthelabo

Pharmaceutical Industry: AstraZeneca; GSK; Pfizer

**Current Issues and Activities**

**Strategic issues**

- Energy costs
- Protection of pensions
- REACH – European Chemicals Directive
- Skills shortages

**Current activities**

Pay: Principal for pay negotiations going forward is RPI +, in 2006 RPI ranged from 2.4% at the beginning of the year to 4.4% for December 2006. Average sector pay deals for 2006 were 3%. The inflation rate throughout 2007 has been volatile to say the least from a low of 3.8% in July 2007 to a high of 4.8% in March 2007, with 8 out of the last 10 months RPI figures exceeding 4.0%. At the time of writing this report the most recent figure available is December RPI of 4.0%. Average sector pay deals for 2007 are 3.5%

**Recent pay settlements**

Astrazeneca SA91 staff

Settlement date from 01/06/07 to 01/06/09

Increase on lowest basic 6.2%

1st stage of a 2 year deal

Ineos Fluor

Settlement date from 01/04/07 to 01/04/08

Increase on lowest basic 4.0%