



Mr Andrew Cowe
 Chief Executive
 North Lanarkshire Council
 P O Box 14
 Civic Centre
 Motherwell ML1 1TW



Dear Mr Cowe

STRATHCLYDE DEFENCE INDUSTRIES WORKING PARTY (SDIWP).

I am writing to bring this group to the attention of your Council, and to seek support in principle for its continuation following local government re-organisation.

The SDIWP is a body co-ordinated jointly by the STUC and Strathclyde Regional Council. It was formed in 1991 as a local response to the accelerating decline in defence employment and the publication of the Government paper 'Options for Change' which indicated that this decline would continue throughout the 1990s.

In 1991 defence employment in the West of Scotland, both direct and indirect, was estimated at around 48,000 (some 5.6% of the regional economy). By 1995 the total was down to less than 32,000. Losses on this scale have region wide impact on incomes and employment prospects.

The SDIWP undertakes research and lobbying activities. It has worked to quantify local defence dependency; has made input to relevant Select Committee inquiries; promotes national and European initiatives to the company base; and is currently undertaking a survey of redundant defence workers with a view to assessing both the impact on the local economy and the perception of available advice and counselling services. The group has a particular interest in diversification strategies and has discussed company plans with many of the large contractors in the Region.

It comprises workforce representatives from defence industries and MoD establishments along with local authority Members and officers, representatives of the Arms Conversion Project and of Scottish Enterprise and the LEC network as appropriate. I enclose a copy of the last minutes for your information.

COMHDHAIL AONAIIDHEAN



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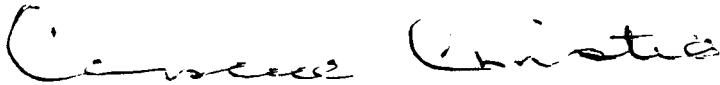
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The SDIWP intends to continue post re-organisation and, without the overview of Strathclyde Regional Council, hopes to engage the interest of the widest possible range of new Councils. I hope that your Council will be willing to participate, and have also written to Councillor McGuigan, Leader of the Council, to this end. I will be happy to provide any further information as required.

I look forward to hearing of your support.

Yours sincerely

A handwritten signature in cursive script that reads "Campbell Christie". The signature is written in black ink and is positioned above the printed name.

Campbell Christie
Chair, Strathclyde Defence Industries Working Party

STRATHCLYDE DEFENCE INDUSTRIES WORKING GROUP

27TH October 1995

Present : J Carrigan (TGWU), Bishopton; J Neillie (MSF), & J Gaffney (AEEU), Rolls Royce, Hillington; T O'Hare (AEEU), RNAD Coulport; A Grey (IPMS), MoD, Scotland; J Sheridan (TGWU), Barr & Stroud; I Goudie, ACP; B Cassidy (AEEU), Rolls Royce, EK; J Dolan, (GMB) & G Kerr (AEEU), Yarrow Shipbuilders; Fiona Clark, GDA; Adrian Green, Enterprise Ayrshire; Cllr L Fyfe, GDC; R Leonard, STUC; M Donnelly, SLAM Centre, Strathclyde University; Cllr I MacDonald (Chair), A Dempster & B Gemmell all SRC.

Apologies : G Bell, Jetstream; S Inch, GDC; C Christie, STUC; J Carty, AEEU; D Conroy, Yarrow; Tom Murray - who has now retired. Faslane representative on the DIWG now J Flynn.

Apologies also received from Brian Wilson MP who was to address the meeting.

1. Minutes / Matters arising.

Item 4a : **Business seminar** jointly co-ordinated by ACP, Scottish design and SRC. 'Small but interested' to be replaced with 'invited'. Noted that papers on the seminar have been produced, and will be available to the next meeting.

Item 4b : **ACP/STUC/CND Conference.** Report of this conference 'Setting the Agenda for a Scottish Defence Diversification Agency' was distributed. The paper is intended to be a starting point for debate and will be launched in November then distributed to key personnell for their comment.

Item 5a : **Select Committee on Defence Procurement.** Draft report should be ready in November.

Item 5b : **Technology Foresight : Defence and Aerospace.** This DIWG report had been sent to companies, and replies were circulated. Noted that Yarrow had not responded. Group were advised of the work currently being done to develop a Regional Technology Plan for Strathclyde. This input from the defence sector would feed into this work.

Item 6 : **KONVER** UK programme not yet been approved. Expected that applications will be requested in January. GDA and GDC are currently progressing a joint application. **Discussion on re-training possibilities, with GDA giving outline of assistances which** have been given to both Yarrow and Kvaerner Govan. GDA advised that KONVER 2 programme will include a project for providing Accreditation of Prior Learning to ex-regulars.

Item 7 : **Local Government Reform.** Letter to be sent to new Councils outlining the work of the SDIWG.

SRC to action.

2. Reports from Union representatives.

Royal Ordnance. All diversification activities have now stopped. French joint venture well advanced. Company busy, recruiting casual labour. Some discussion on the company's recent application for funding to undertake an environmental assessment study. Concern that study's output will relate to alternative uses of the land, not diversification of company's activities. (*Note - Application has been approved. Funding from Renfrewshire Enterprise and SRC will be matched by Europe.*)

Coulport / Faslane. The Polaris run down has been brought forward, generating a requirement for a further 194 applications for redundancy (134 technical staff) from those under 50 yrs of age. Employment at Faslane is still building up. Timetable for elimination of Market Testing Exemption is unchanged.

Barr & Stroud. More than 70 redundancies since last meeting. Company attitude to diversification is still positive, but manager in charge of this effort not yet been replaced since transfer to Thorn.

Yarrow. 415 redundancies announced, though efforts continue to reduce this number. New Chief Executive of GEC Marine, Brian George, has met the workforce, with a positive message regarding both the yard and diversification activities. Agreed that it would be appropriate for DIWG to write requesting a meeting to discuss new diversification strategy.

SRC to action.

Rolls Royce, Hillington. Message from management is that prospects are good. New compressor blade order from Allison will run over 20 years. Have launch customer for the BR 715. Company is subcontracting work to manage capacity, and it was noted that many local subcontractors have disappeared. Employment now stands at 1076 manual, 276 staff and for the first time in recent years 6 apprentices have been recruited along with 1 graduate trainee.

RR, East Kilbride. The component refurbishment side, RRAES, is doing well and has also recruited some apprentices. Closure of Design side proceeding as planned. Noted that the Derby plant is having difficulty filling 300 vacancies.

3. Strathclyde Redundant Workers Survey. Mike Donnelly from Strathclyde University's SLAM (Scottish Local Authority Management) Centre, who had undertaken this work, distributed copies of the report and gave a presentation outlining the findings. Mike noted that Jetstream were perceived to have treated redundant workers better than average; Barr & Stroud and Rolls Royce worse than average.

Many points were discussed afterwards, including:-

- Why the semi-skilled should find it harder to find alternative work than the skilled or unskilled;
- Why a higher proportion of younger age groups found it hard to find alternative work;
- Impact on trade union membership. Noted distinction between skilled/unskilled attitudes to TUs;
- Noted distinction between male and female perceptions of training availability;

- The need for TUs and LAs to improve mechanisms for offering support;
- The need for institutions to adapt to the fact that redundancy is no longer a once in a life time event, but can be a regular feature of many people's working life.

It was noted that several respondents had indicated a willingness to be interviewed. Agreed to remit the survey to the KONVER subgroup to oversee interview process and prepare a final report with recommendations.

5. **Defence diversification.** Brian Wilson MP was due to speak to this item in his role as DTI Shadow spokesperson, a role he had relinquished earlier in the week. He therefore was not present. However an Opposition policy paper 'The British Defence Industry - *Strategy for the Future*' was distributed for discussion at the next meeting.
6. **Date of the next meeting.** To be advised.