



## **Executive Council Report December 2018**

**Previous Executive Council Minutes from September 2018:** Read and Adopted

**Minutes of EC from September:** Read and adopted

**FGPC minutes from 10<sup>th</sup> October:** Read and Adopted

**FGPC minutes from 15<sup>th</sup> November:** Read and Adopted

### **General Secretary's Report**

Activities of the General Secretary for the period since the Executive Council meeting of December 2017:

#### **Public Meetings and General Events**

- Attended TUC Executive and General Council.
- Presented cheque to dismissed BASSA Hong Kong members at Central Office.

#### **Political, International and Inter-Trade Union Matters**

- Attended Trade Union Congress.
- Labour Party Conference Diary pre-meeting.
- Attended Labour Party Conference.
- Big 4 Meeting.
- Attended Unveiling of Plaque to commemorate the 47.
- Attended launch of Period Dignity Campaign.
- Met with Sadiq Khan, London Mayor.
- Met with Tom Woodruff, Change to Win.
- Meeting with Andrew Murray, CoS and Anneliese Midgley, DoP regarding funding for PPCs.
- Attended a reception for Miguel Diaz-Canel, President of the Republic of Cuba at the Cuban Ambassador's residence in London.
- Meeting with Andrew Murray Cos; Simon Dubbins DoI; Tony Burke AGS; Ben Norman Comms Researcher; Jennie Welsh, Comms; Alex Flynn, HoC+M; Pauline Doyle DoC; Howard Beckett AGS regarding Brexit.
- Attended special TUC Executive at Esher Place.
- Meeting with Jennie Formby, Labour Party GS.

#### **Administrative and Organisational Issues**

- Attended opening of new Northampton and Nottingham offices.



- Property meeting with Ed Sabisky, Director of Finance, Mike Ryder and builders.
- Meeting with Anneliese Midgley DoP and Andrew Murray CoS re: plans to increase sign up for the political fund.
- Meeting with Andrew Murray, CoS; Pauline Doyle, DoC; Simon Dubbins, DoI; John Earls, HoR; Sharon Graham, EO; Howard Beckett, AGS; Anneliese Midgley DoP; Barbara Kielim, HRD to discuss integration of departments.
- Meeting with EO, Sharon Graham regarding the 5% campaign.
- Meeting with DoF, Ed Sabisky regarding Birmingham project and Strike Pay.
- Meeting with Ian Waddell, GS of CSEU and AGS Tony Burke; AGS Diana Holland and AGS Steve Turner regarding the Alex Ferry fund and the ongoing role and constitution of the Confed Executive.
- Meeting with Howard Beckett AGS and Annmarie Kilcline RS regarding the handover of the East Midland region.
- Attended disciplinary hearing in Central office regarding a RO.
- Met with Andrew Murray, CoS; Tony Burke, AGS; Jim Mowatt, DoE and AGS Gail Cartmail to discuss 'Trailblazing' - Trade Union Apprentice Group.
- Meeting with Andrew Murray CoS; Howard Beckett AGS and Adrian Weir DCoS to discuss 2019 Rules Conference.
- Meeting with HR Dir Jon Hettrick and Dir of Contract Logistics of Kuehne + Nagel with DoE Jim Mowatt and RO Joe Clarke.
- Meeting to discuss BAEM officer survey with Andrew Murray Cos; Barbara Kielim HRD; Colenzo Jarrett-Thorpe NO; Harish Patel NO and Fazia Hussain-Brown RO.
- Meeting with Andrew Murray CoS and Barbara Kielim HRD to discuss absenteeism.

#### **Constitutional Committees and Industrial Matters**

- Phone call with David Connell and Stephen Norman re: Vauxhall.
- Met with Adrian Weir, Deputy CoS, Peter Hughes, RS and Tony Woodhouse, Chair re: Gibraltar.
- Meeting with Martyn Gwynn, CEO, GIST.
- Meeting with Dr Johan van Zyl, CEO Europe Region & Senior Managing Officer of Toyota Motor Corporation.
- Meeting with John Cooper regarding PSA.
- Meeting with Stephen Phipson, new CEO and Tim Thomas, Director of Employment Skills at EEF regarding Brexit.
- Meeting with Martyn Gwynn, CEO, GIST with Ed Sabisky, DoF; Matt Draper, NO and John Neal Pensions Officer.



- Meeting with Xavier Chereau, Executive Vice President, HR, Digital and Real Estate at PSA.

#### **Principal Speaking Appearances**

- Brexit speech at TU Congress.
- Spoke at “Real Britain” Fringe.
- Spoke at Labour Party Conference (moved Composite 5).
- Spoke at SRTRC Fringe.
- Spoke at PSC Fringe.
- Participated in Politico’s “In Conversation” Fringe.
- Introduced Mike Leigh, director of the film “Peterloo” at the London Labour Film Festival screening at the Regent Street Cinema.
- Spoke at the NW Labour Party Conference in Blackpool.
- Spoke at Stand Up to Racism rally at Whitehall, London.

#### **Principal Media Appearances**

- Political Thinking at Millbank.
- Hard Talk – BBC New Broadcasting House 26 November.
- At the time of writing, the GS had a number of media interview requests under consideration including an interview with Aaron Bastani.

#### **At TUC**

- ITV News on John McDonnell’s workplace reforms/speech.
- FT – Laura Hughes political correspondent coffee and a chat.

#### **At Labour Party Conference**

- BBC 5 Live - Pienaar’s politics.
- C4 News – doorstep Michael Crick.
- Newsnight – clip with Nick Watt on the future of Labour.
- LBC – Shelagh Fogarty reaction to Corbyn speech.
- BBC News – Laura Kuenssberg reaction to Corbyn speech.
- Sky News – Reaction to Corbyn speech.
- The House Magazine – Interview with Seb Whale.

## **ORGANISING REPORT**

### **Key Point Summary**

#### ***Work, Voice & Pay***

- **Unite Investigates:** New enquiry into ‘the cost of living’.



**Industrial Co-ordination:** The role of Advanced Pay Claims.

**WVP toolkit:** Work continues as we look to provide access to the Pay Claim Generator and the Employer Profile Generator for Ireland and Not for Profit.

### ***New Recognition Deals***

- 33 either already signed or near completion.

### ***Growth (100% extended)***

**50% of the Regions continue to record positive growth**, despite continuous job losses impacting on membership.

**Over 14,000 more joiners in 2018 than 2016** as workplace activity increases via Work Voice Pay.

- Industrial members driving the increase as non-industrial categories experience a drop in joiners.

The majority of those who have left the union are **under the age of 55**.

### ***Sector Organising***

- **Over 15,000 new members** have been delivered in Energy and Construction campaigns by the end of 2018, with 3,000 more being recruited since the last EC.
- **More activists and wins** in Energy and Construction, including **46 Local Authorities now signed-up to the Unite Construction Charter**.

### ***Work, Voice & Pay***

Work, Voice & Pay is an industrial strategy designed to deliver information, tools and support directly to our Shop Stewards and Representatives on the frontline.

Fundamentally, the strategy was developed so that the Union could retain a central focus

on core workplace issues. Our aims are:

- To intensify focus on core industrial work.
- o Re-energise the Union's industrial 'brand'.
- To improve industrial outcomes.
- o Deliver better T&C's and more effectively fight for jobs.
- To be better prepared industrially.
- o Strike ready workplaces.
- o To be proactive as well as reactive.
- To echo industrial demands politically.
- o Manifesto for the Workplace – Workers' Voice.

In addition, our work is guided by seeking answers to key questions, including:

What do our members want? What is our 'share of the pie'?

How do we build our power to help get what we need?

How much money do our employers have and where is it?

Who controls the money and makes the big decisions?



### **Unite Investigates – the cost of living: time of for a workers' Index?**

Providing quality analysis of issues critical to our members is a core element of Work, Voice & Pay. To date we have looked at the issues of Automation and Insecure, Non-Permanent Employment and we are continuing our work in both areas. The Executive Officer has now added 'the cost of living' to its list of investigations. The issue of inflation and more broadly the cost of living is a core issue for our members. The 'ability to pay' of the employer remains central during negotiations, but an immediate concern (in the UK) is focussed on the debate going on behind closed doors as to which figures should be used when looking at inflation. The relatively new CPI (plus the CPIH), an index that consistently delivers a smaller figure than the Union's traditional index of choice the RPI, is increasingly touted as the 'official' inflation index. There is a danger that the RPI as we know it could be eliminated within a generation. In this year's budget the Chancellor explicitly stated that he wants to reduce 'the use of RPI'. The Union needs to get ahead of the curve.

### **Why do we care about inflation indices? Pay, pensions and prices.**

We are experiencing a double whammy - a wages crisis that is helping to drive an increasing wealth gap. Only now are incomes beginning to return to levels seen immediately after the crash, whilst wealth at the top has increased at the expense of everyone else. In this context collective bargaining is more important than ever. Are we improving our members' income in real terms? Put plainly inflation and how it is calculated matters to trade unionists because it helps decide many aspects of our standard of living, including; wage negotiations, pensioners earnings in retirement, and the cost of goods and services

### **Which index is better for bargaining and why?**

At present we strongly recommend using RPI when looking at the cost of living during negotiations. Simply, the figure is consistently higher than the main alternatives and critically includes housing costs. In support of this, The Royal Statistical Society (RSS), the



TUC and others believe that the Consumer Prices Index (CPI) understates inflation. Unions believe that a permanent switch from RPI to the CPI would cost workers hundreds of pounds every year.

### Why recommend the RPI?

The Retail Price Index (RPI) has been going since 1947 and is still widely used to decide prices such as mobile phone bills, rail fares, student loans and 'sin' taxes e.g. alcohol. The

Consumer Price Index (CPI) has only been used by the Government to measure inflation

since December 2003. Unlike RPI it doesn't include the cost of your home - like rises in

mortgage payments, rents, and council tax. It is also calculated using a different mathematical model which means it historically it has always been a bit lower than RPI.

One of the key differences between RPI and CPI is which people they use to calculate expenditure. For bargaining purposes it is clear which index is preferable. The population

group used by the CPI covers a whole range of people not covered by our bargaining units:

#### **CPI population group**

Includes the top 4 per cent of households by income

Includes spending by foreign visitors to the UK

Includes pensioners reliant on the state pension

Includes residential homes and student halls of residence

In contrast the RPI excludes the expenditure of many groups not relevant to the Union's bargaining position.

#### **RPI population group**

Excludes the super-rich

Excludes tourists

Excludes most pensioner households

Excludes institutional households like student halls

### Is there an 'official' bargaining or cost of living index?

The UK Governments official statisticians, the Office of National Statistics (ONS), state very clearly that they do not provide either an index for bargaining or an estimate as to the real cost of living. You can see why when neither index takes into account basic spending habits such as:



savings and investments,  
charges for credit

Furthermore, whilst the RPI is better than CPI, neither index calculates expenditure using a population group that is close to matching any Unite bargaining unit. Even the RPI covers the expenditure of extremely wealthy people – most of the top 10%. All current indices are far too general to really tell us about what workers in the labour market or within different sectors are experiencing. Current indices try and reflect changes in the prices of goods and services, such as food and clothing that are directly purchased in the marketplace. As far as we know there never has been a bargaining index – surprising when you think about it. In addition, a complete cost-of-living index would go beyond this to also take into account changes in other governmental or environmental factors that affect workers well-being.

#### What can we do about it?

As Britain and Ireland's biggest trade union, Unite is the representative voice of working people. As such we need to be confident in taking the lead on core issues that impact on the living standards of our members. We should not let 'experts' alone make decisions.

Most importantly we need to engage Shop Stewards and lay officials. As the elected workplace representatives of the members they *are* the Union. To tackle the issue we need to:

Protect and strengthen our bargaining position.

- o Defend and enhance RPI.

- o Investigate the possibility of establishing a Unite bargaining index.

- o Look to develop an index taken from the actively employed only and work out if there is a case for forming different indices for different groups of workers.

Find out what workers real cost of living is.

- o Discuss the feasibility of develop a meaningful Cost Of Living Index, including the cost of public goods and services.

#### How can we do this?

We recommend that we now consider adopting the following framework to take this investigation forward:

Start an enquiry headed up by the Organising and Leverage Department and leading lay officials.

It is expected that the investigation will; gather and analyse the results of Unite negotiations, look into the feasibility of developing our own 'bargaining' and 'cost of



living' indices, work out how to defend our bargaining position i.e. RPI or an alternative?

Outcomes are predicted to include; recommendations to the EC, policy proposals for the

21st Century Workplace Manifesto and industrial guidance for Shop Stewards.

## **MANUFACTURING REPORT**

### **UK Manufacturing & the Economy**

UK manufacturers have endured one of the worst months since the UK's decision to leave the EU in June 2016 according to the latest IHS Market/CIPS UK Purchasing Managers' Index (PMI) survey. The seasonally adjusted PMI fell to a 27-month low of 51.1 (noting growth being a score above the no change mark of 50); down from September's reading of 53.6. Circumstances in the UK manufacturing sector slowed sharply during October. Output growth slackened, with new orders and employment dropping for the first time since July 2016. The fall in new business was reported to be partly driven by Brexit worries and mounting global trade tensions.

Where job losses were reported, mainly in larger manufacturing firms, this was linked to a decline in new work, reorganisations and efforts to control costs. The Chartered Institute of Procurement & Supply's (CIPS) group director Duncan Brook said: "Alarm bells were ringing in the sector this month as the Index slipped closer to edge of the no-change mark with purchasing falling for the first time in over two years. To see inflows of new orders first decline since the middle of 2016 following the referendum, will send shivers down the spine of business."

The ONS reported a rise of 0.7% in total production output for the three months to August 2018, compared with the three months to May 2018, said to be due primarily to a rise of 0.8% in manufacturing. However, the monthly decrease in manufacturing output of 0.2% was said to be due mainly to falls of 2.3% in chemicals and chemical products, and 1.7% in wood and paper products. On the wider economy, UK gross domestic product (GDP) grew by 0.6% in the three months to July. Growth in the economy is reported to have come primarily from services which grew strongly, with retail sales performing well, boosted by warm weather and the World Cup. However, production fell back, with manufacturing again slipping a little.

### **Brexit & Manufacturing**

Since the last Executive Committee meeting a number of meetings have taken place with Employers Organisations and individual employers in regard to the looming Brexit.

The Executive Council will be aware that in order to avoid a catastrophe if there is a 'Hard Brexit' a number of automotive and other companies have been taking steps to protect their interests for 29th March 2019.



All of the automotive companies in the UK have expressed their very real concerns about a Hard Brexit to the Government and have continued to lobby them on the issue.

A number of companies in the supply chain have also indicated they expect job losses, lay-offs or closures due to the uncertainty created by Brexit.

The GS and Tony Burke recently met the EEF CEO for a discussion on Brexit and a Unite team met the blue chip pharma company Astra Zeneca who explained in detail their concerns and the implications of a Hard Brexit on the pharmaceutical industry, particularly in regard to the production and testing/re-testing of life saving drugs and medicines and investment. They have frozen all new investment in the UK until there is a Brexit deal.

The Manufacturing Trade Remedies Alliance of which Unite is a prominent member is seeking meetings with the Chair of the proposed Trade Remedies Authority particularly in regard to how they intend to stop the dumping of goods (steel, tyres, glass, chemicals, ceramics etc.) on the market once Brexit takes place. At present the TRA will not be up and running with experienced staff for two years!

### **Automotive Sector**

The automotive sector has suffered a “triple whammy” including the effects of Brexit, the implications of European and UK legislation in regard to CO<sub>2</sub>/diesel and a drop in the sale of new vehicles.

In regard to CO<sub>2</sub> the European Parliament has voted on a reduction in CO<sub>2</sub> emissions which Unite believes is unattainable and would not lead to a Just Transition for the long term. We are now working directly with the Automotive Manufacturers in Europe ACEA and IndustriALL Europe to lobby during the period when the Commission considers the proposals in order to establish a more realistic approach. Unite’s response to the Government’s “Road to Zero” is completed and rejects the Tory Government proposals on CO<sub>2</sub> emission reductions. We are working with our reps, the SMMT and individual car companies on this and the EU emissions targets. We are planning a briefing for our Parliamentary colleagues to explain our policy on the European proposals and the Government’s CO<sub>2</sub> emissions policy as well as briefing our MEPs.

Unite continues to campaign for the introduction of significant investment in the production of electric vehicles and the infrastructure necessary to protect the car industry and decent

employment. We took part in a meeting with senior Labour politicians in regard to the development of electric vehicles and on CO<sub>2</sub> emissions and it is anticipated a further meeting will be taking place early next year.

Supply chain company Schaeffler who produce parts for the automotive industry and aerospace have announced the closure of their sites in Llanelli and Plymouth. The reasoning for these closures from the company is ‘because of Brexit’. We are looking to challenge the decision to close sites and move the work back to Germany. We are



working with IG Metall and we believe the company have contravened the EWU regulations on consultation on job losses and closures.

### **Tyres Industry**

As the Executive Council will be aware inside the period of just two weeks over 1000 proposed job losses have been lodged in the UK tyre industry. Coopertire in Melksham intend to shed 300 jobs and Michelin in Dundee intend to close its plant by 2020 with 850 job losses - a body blow to manufacturing, jobs and the communities where the sites are located. For Dundee this is massive. At the time of writing Michelin have agreed to set up a task force with all interested parties including the Scottish government and Unite in Scotland to come up with an alternative plan to save the Dundee site, something the workforce had already been preparing.

One of the major contributing factors to these job losses is the importation of cheap tyres made in Asia (China) which both companies are citing as one of the for the reasons for these job losses and closures. Unite has warned of the issue of cheap imports and granting China Market Economy Status and its effect of dumping. Even a tariff of 20% on Chinese tyres selling at less than £100 would still make them cheaper than our premium brands.

Unite already has a campaign on cheap imports on the UK and EU market and our reps recently lobbied MEPs on this issue. Another issue at Dundee is the lack of orders for 16 inch tyres and customers move to buy larger SUV vehicles.

### **Shipbuilding**

The closure of the Appledore Shipyard in Devon with significant job losses and also big job losses have been announced at Cammell Laird in Birkenhead. At Cammell Laird, Unite and GMB believe the company want to move to a casualised workforce on top of job losses and at the time of writing we are balloting the members for industrial action.

These job losses are a blow to our Shipbuilding and Ship Repair Industries and could be forestalled if the three FFS frigates that are earmarked for building for the Navy are allocated to be built and maintained in UK shipyards. Following discussion the CSEU are looking to step up the campaign to save our shipbuilding industry.

The lack of an industrial strategy means that there is little or no Government intervention to save jobs and protect employment for the future. The frigates are out to tender and could be built outside of the UK as the Government does not class them as 'defence ships' - even though they are armed. We are continuing campaign to save our shipbuilding industry as we anticipate other yards moving into the 'at risk' zone.

Bombardier have announced a further 5000 job losses worldwide, but with no figures country by country, however it looks like 3000 jobs are a risk in Canada and our main concerns are Bombardier in NI and the train manufacturers in Derby.



### **Offshore Oil**

Our members employed in the offshore oil industry have rejected the final offer from the Employers Organisation the OCA, and have narrowly voted for industrial action although at the time of writing meetings are taking place with the Employers Organisation.

### **Steel**

At the time of writing we have been notified that the European Commission intends to refer the proposed joint venture between Tata and ThyssenKrupp for investigation into the creation of a monopoly which is again of concern to our members.

### **Unite Manufacturing Shop Stewards Combine**

A meeting of the Manufacturing Combine recently took place and dealt with a number of important issues including working time.

A presentation was made by a colleague from IG Metall on the 28 hour working agreement in the German electrical and engineering industries, the 35-hour week agreement at Bentley, Crewe and a possible future campaign in the CSEU.

In addition there were campaign updates on steel, tyres, automotive and shipbuilding; a

presentation on strategy relating to insecure and non-permanent work by Sharon Graham; an update on Brexit and a discussion on human rights in Mexico, following attendance at the recent Los Mineros conference.

### **Confederation of Shipbuilding & Engineering Unions – Alex Ferry Foundation**

The Executive Council may be aware that following a lengthy period of legal arguments, culminating in an application to the High Court, the money in the 35-Hour Week Campaign Fund has now been gifted to a new Charity, the Alex Ferry Foundation, set up and agreed by the Charity Commission. The charity is separate to the CSEU but linked to it, as the majority of the Directors are drawn from CSEU sources.

The charity has appointed a new set of Directors who were endorsed at a recent meeting of

delegates to a special conference of the CSEU. The 5 lay member Directors of the Alex Ferry

Foundation are Unite: Steve Hibbert, Bob Holmes and Duncan McPhee; GMB: Tim Griffiths and Colin Stevenson. The 3 Directors appointed by the CSEU Executive are Unite: Diana Holland; GMB Ross Murdoch; Community/Prospect: Alasdair McDiarmid.



There will also be a position for an Independent Director, which at the time of writing is being advertised. There is a considerable amount of work to be undertaken in regard to the detail of how applications can be made to the Fund, what sort of applications would be acceptable and how the funds would be dispersed. The basis of the Fund is for relief of hardship although it can be used for other purposes including Union backed campaigns in the relevant industries covered by the CSEU.

It would be for the affiliates of the CSEU through the CSEU Executive to decide on various industrial campaigns, which could include campaigns for shorter working time, protection of employment etc. Where there is a request by affiliates for assistance for members suffering hardship in union-led disputes, this will be made via the CSEU Executive to the Alex Ferry Foundation.

The CSEU Executive Committee remains separate from the Foundation and currently consists of representatives from the four affiliated Trade Unions. From Unite these are Tony Burke, Steve Turner, Diana Holland, Ian Tonks, John Rowse and Hugh Roberts. The GMB representatives are Ross Murdoch, Albie McGuigan and Billy Coates; Prospect, Garry Graham; Community, Alasdair McDiarmid. It is for the affiliated unions to decide who their representatives are on the CSEU Executive.

The General Secretary of the CSEU, Ian Waddell, has indicated he will be consulting affiliates, workplaces and members with a view to modernising the CSEU's structures to make it much more responsive to the current situation applying in the various industries.

The lawyers previously employed in the litigation of the Fund have now completed their work. The Alex Ferry Foundation will now be represented by one of those lawyers, Bates Wells Braithwaite, who represented the Confederation during the litigation and who also specialise in charity work. The accountants for the charity will be HW Fishers, who are trade union and charity specialists.

It is intended that in early 2019 there will be a launch event for the Alex Ferry Foundation which will include representatives from retired members who were involved in the original dispute to gain a 35-hour week in the engineering industries.

In addition, the CSEU is working on modernising its operations including media, website etc. Whilst there is still considerable work to be done in setting up the new charity, it is heartening that a resolution has now been found to a long and complex legal dispute. It is hoped that the Alex Ferry Foundation will be able to provide assistance to CSEU affiliated unions involved in campaigns and disputes.

## **SERVICE SECTOR**



Unite will launch its publication, 'Carillion – Bandit Capitalism' 10 December at the House of Commons supported by the General Secretary and the Shadow front bench, Rebecca Long Bailey. Alongside the publication is a short film that highlights Unite member's stories of betrayal by corporate bandits. Unite's demands include tighter law and concurrently Interserve, a similar business model is posting profit warnings. c 1,500 Unite members are currently employed by Interserve.

Monday 19 November was World Toilet Day. Unite's demand for toilet dignity included examples from our survey of women construction workers who prioritised unsanitary and/or the total absence of women's toilets and sanitary disposal facilities on site as their bargaining priority. Of women members surveyed 100 + want to join a Unite women's construction network and 55 are interested in taking up a workplace representative's role.

The launch of the Heathrow Skills Taskforce at the TUC Congress and the recommendations are now with Heathrow Airport Limited and include tying into binding supplier contracts concrete commitments to apprenticeships and skills.

Unite construction convenors, shop stewards and branch activists supported a demonstration called by 'COPs' women (03 October), survivors of undercover police intrusion at a High Court Hearing. Among the women was the 'partner' of the undercover policeman who posed as a UCATT activist. Unite is a core participant in the Inquiry.

On behalf of Unite members in the Energy Sector together with the NO and key leading lay members we have been ensuring input into TUC, Labour Party Leader's Office and New Economic Foundation 'Just Transition' policy discussions. Unite's clear message is that our members demand from a 'Just Transition' to decarbonise energy production and supply, comparable union jobs on union rates of pay.



This report highlights the continuation of the decimation of the UK's bank branch services amplified by the November 'Which' report that found 19 per cent of the population travels two miles to a bank branch, worse in some areas including Scotland where due to vigorous campaigning a pause in some RBS closures was achieved.

In the ROI Unite with sister unions have achieved some success in equalising the Public Sector pay gap suffered by workers employed after 2011 however the unions are campaigning for comprehensive pay restoration following recession linked losses in earnings.

In Scotland members employed by Local Government have emphatically rejected COSLA's second pay offer and are organising for industrial action.

Unite in Northern Ireland is working with other unions on nurses pay in the context of a feared serious shortage of nurses. Across the board public sector pay talks have resumed having been stalled due to the collapse of the Stormont Government.

Unite Health has actively opposed and mapped the emergence of 'Wholly Owned Subsidiaries' (WOS) and this is a campaign priority for the Sector. It has emerged that for "technical reasons" new starters will be excluded from joining the NHS Superannuation Scheme. WOS's are currently on hold however Unite is continuing to build a campaign base where it is known there are WOS proposals in the pipeline.

Unite successfully fended off the privatisation by Cornwall Council of Children's Services and the proposal that families would be means tested to qualify for 'free' health visiting services.

Unite is currently assessing the governments reduction of pension discounts across a number of public sectors schemes as the cost will be borne by employers already shouldering massive cuts to funding. We will work with other unions in joint representation and campaigning to once again defend public sector pensions.



## **TRANSPORT & FOOD SECTOR**

### **BUILDING UNITE IN TRANSPORT & FOOD**

Overall across Transport & Food sectors, Unite's membership over the year has seen a slight decline, but patterns of growth and loss are emerging. As part of analysing this, for each sector, we are examining the top 10 employers nationally and in each region, and also the top 10 for increased membership and top 10 for leavers, as well as looking more closely at the membership in terms of men and women, BAEM and age in particular. Each sector is looking at this with a view to identifying targets in terms of overall employment, undercutting companies and union organisation in the sector, and subsectors where needed.

In RTCLRD, following FedEx purchasing TNT, as part of achieving a new bargaining agreement, National Officer Matt Draper reports that as well as preventing the company from derecognising certain areas, Unite will now have access to around 1,400 new members in previously unrecognised sites in FedEx. A national strategic approach is being developed, which is being strongly welcomed by Regions.

In Civil Air Transport, National Officer Oliver Richardson reports Ryanair membership and organisation is growing, first negotiating meeting has taken place, and the first pay claim drawn up from the membership.

Additionally, as can be seen from a number of the reports, negotiations are moving forward in a number of companies on the use of agency workers, contracting and sub-contracting.

### **TRANSPORT & FOOD AND BREXIT**

As this report is being finalised, major developments are unfolding. In terms of Transport & Food, the following key issues have come to the fore on Brexit during the past quarter, and we have ensured Unite is at the forefront making the case for the sectors and for workers to be fully represented and rights protected. The EWC briefing jointly prepared by union European industry federations including ETF and EFFAT has been widely welcomed, as has the recent victory for the Belgian Transport Federation which won a court battle on behalf of seven Bulgarian drivers employed by their employer RMT in Belgium through its Bulgarian subsidiary Rematra on Bulgarian rates of pay.

**Agriculture Bill** – Unite gave evidence to the Agriculture Public Bill Committee welcoming this long overdue focus on the impact of Brexit on this vital sector, but raising that while important environmental and animal welfare concerns have been



included, agricultural workers are not. Unite are calling for an amendment reflecting Article 39 of the Treaty of Rome which calls for “Fair standards of living for workers in agriculture” and establishing a sector negotiating body, following abolition of the Agricultural Wages Board in England.

More details here: <http://unitelive.org/agriculture-bill-failing-farm-workers/>

**Premier Foods** has made the headlines as it revealed it is starting to stockpile ingredients (Mr Kipling cakes, Bisto, Oxo and others) because of fears of gridlock at ports if there is no deal. At the same time, the company has announced it is seeking a buyer for Ambrosia, where Unite represents over 300 workers in the factory in south Devon, with no consultation and no assurances for workers, talks are now due to take place.

**Downstream Oil Distribution Forum** – discussions included serious concern from employers, terminals and trade bodies about the future of the Petroleum Driver Passport if the technical changes needed are not sufficiently prioritised. As a result of these discussions, through the ETF it has been agreed that Unite will present the PDP at the forthcoming Road Transport Social Dialogue meeting.

**International Transport Permit (EU Exit) Regulations** - in the debate, the point was made that there are 8,400 standard international licences currently in use and 32,000 Community licences. It was stated that only “around 20% of current activity by UK HGVs could be facilitated” in a worst case ‘no deal’ scenario.

**Aviation Strategy** - update in September was headed “Brexit: Tension mounts but not panic (as yet)” However, lack of agreement on an open skies deal less than 6 months before the 29 March 2019 cannot be ignored.

#### **SUSTAINABLE TRANSPORT & FOOD AND UNITE EMISSIONS REGISTER**

Key issues for transport and food have been included in Unite’s response to the DEFRA Clean Air Strategy 2018, and we are now preparing a response to the Committee on Climate Change. It is vital that we ensure that sustainability includes decent jobs and conditions for workers, and a “just transition”, but also that there is recognition that trade unions in transport and food, and other relevant sectors share serious concerns about climate change and action needed.

#### **HEALTH OF THE BUS MARKET INQUIRY AND UNITE BUS WORKERS SURVEY**

Unite has conducted an extensive survey of our bus membership’s views and experiences of all aspects of their role and the state of the bus industry, which has strongly informed our response to the inquiry. The information provided by our members will be further used as part of our campaigning and organising activities.



Unite has submitted evidence to the Transport (Scotland) Bill calling for major changes to reflect our campaigning for municipal bus companies and the findings of the “World Class Bus System” report.

## **EQUALITIES REPORT**

### **Brexit, Equality and Immigration advice for Unite members**

Ensuring hard-fought-for equality rights are not undermined as part of any “deal or no deal”

Brexit remains an absolute priority. A Unite delegation of Harish Patel, Ben Norman and Di Holland met with the JCWI to discuss immigration advice. This is being followed up within Unite, with a view to ensuring our members have all the support they need in these times that can be very insecure if you are fearful about your and your family’s immigration status.

### **Equalities and Industrial sector action**

The following are just a snapshot of activities and issues from the past few months:

**Transport** - ITF activities for World Toilet Day 19 November and UN Day to End Violence against Women 25 November; Action to tackle under-representation of women in road haulage; Action to address shameful treatment of women and men regarding toilets.

**Aviation and Aerospace** companies signed up to more action to tackle shortages through appealing to women who are seriously under-represented.

**IG Metall** Agreement on Pay and Conditions including 28-hour week for family care  
Tony Burke AGS circulated this complex agreement within and beyond manufacturing.

**Night work and the risk of breast cancer in women** – has been highlighted by major new research which needs to be followed up.

**Unite National Equalities Conference** priorities reported to all AGS and NOs including action on union equality reps rights, equality audits, dignity and respect for all.

**ITF Women Transport Workers Conference at ITF Congress 2018**



The Conference brought together women transport workers from across the world, where two key priorities were set for the coming 5-year period: challenging gender-based occupational segregation in transport, and ending violence and harassment against women and girls in the transport sectors, including achieving an ILO Convention on Violence and Harassment in the World of Work. The ITF Women Fringe Meeting was on access to toilets “The Right to Flush”, a special “ITF report on Women and Automation in Urban Transport was launched”, and during the plenary report back, all women delegates came together by the stage as a powerful force to be reckoned with. Unite women delegates played an important part in the Conference and in the Congress as a whole, and a tribute to all. ITF Motion to support global action on LGBT+ rights was agreed, and this was reported on to the November Unite National LGBT Committee.

#### **Modern Slavery, GLAA, PPT, Migrant Domestic Workers**

Unite played a major part in a number of key initiatives since the last EC :

**Permanent People’s Tribunal** – established in 1979, the PPT has since held 45 tribunal hearings in different countries to put exploitation, injustice and the violation of human rights on trial. The UK tribunal was held on 3-4 November, called by “migrant rights organisations and trade unions to consider the effect of UK government policies and the “hostile environment” on the violation of the human rights of migrant and refugee peoples and the working conditions of migrants and refugees in the UK.” Unite provided written and spoken evidence on migrant domestic workers, food & agriculture, hotel housekeeping, construction, road transport and warehousing.

**Ethical Trading Initiative GLAA Prevent Strategy** – together with a speaker from the GLAA (Gangmasters & Labour Abuse Authority), Unite made representation about trade unions’ role in prevention of abuse and its importance for the GLAA.

**Migrant Domestic Workers Visa** - Unite’s campaigning with Voice of Domestic Workers,



Kalayaan and others continues. Serious concern has been expressed about a further review of the visa potentially reopening all the issues we have faced over the last 30-40 years.

**Modern Slavery** –The AGS attended a meeting with Home Office officials on mechanisms to prevent modern slavery e.g. the original overseas domestic worker visa, gangmasters licensing system and the operation of the current Modern Slavery Act.

### **Labour Party Conference 2018, TUC Congress 2018 and Equalities**

TUC Congress debated a number of motions on equality and Unite delegates spoke powerfully in debates. Labour Party Conference adopted the report of the Work, Pensions

& Equality Policy Commission, and again Unite delegates played a central part in both the

conference sessions on equality and at the policy seminar.

Labour announced a #MeToo workplace revolution, and paid tribute to the 69 BAME MPs elected in 752 years of Parliament between 1987 and 2018. Universal credit is being exposed everywhere it is in place, and our disabled members in particular are calling for action to ensure it is stopped and scrapped, and meetings with shadow ministers to discuss.

The Labour Women's Conference preceded the Annual Conference and Unite had a strong and effective delegation. The first ever motion from Women's Conference, debated and adopted at Annual Conference was moved by Unite. We were able to congratulate Joyce Still on her selection as Labour's candidate for Stafford. Period Poverty was a major theme all around the conference, including Unite's own launch.

## **UNITE BREXIT COORDINATION TEAM REPORT**

### **1. Key Brexit developments since the last Executive Council**

Since the last Executive Council the key points to note in relation to Brexit are:

- **UK-EU deal and political declaration:** At the time of writing the text of the final deal made between the EU and the UK has just become available and made public. UNITE has made clear that it opposes the deal and is calling on MPs to vote it down (see appendix below). The agreements are expected to be signed off at the coming EU summit to be held on 25th November in Brussels; however there are still problems in a number of areas including the Spanish government's objections to the manner in which the Gibraltar issue will be handled going forwards. The deal



essentially consists of two documents, one of 585 pages that covers the withdrawal process itself and details the arrangements made concerning financial contributions, the status of EU and UK nationals and the Irish border, and the other a 26 page nonbinding political declaration that outlines the framework for the coming negotiations on the future of the EU-UK relationship.

• **Coming meaningful vote and possible/likely rejection of the deal in UK parliament:** Although the attempt of Tory hard-line Brexiteers to challenge Theresa May as Tory leader appear to have failed for the time being, it nonetheless appears very unlikely indeed that the deal will be approved in the House of Commons. The Tory Party has no majority in parliament without the support of the DUP who have already made it clear they intend to oppose the deal when it comes to a vote. With a number of Tory hard-line Brexiteers set to oppose the deal as well, if the Labour Party manages to maintain a high degree of unity and votes against the deal then it is highly unlikely that it will pass. Although indications vary, it now appears that many of the Labour MPs that had indicated they may vote with the government will in fact follow the Labour line and vote against the deal.

• **Consequences of UK voting against the deal – likely next moves:** If the House of Commons do reject the deal the UK enters unknown territory concerning the way forward. Although the Labour Party and the labour movement have argued that a general election should be called immediately this is a highly unlikely outcome given that the Tory Party would have to vote in favour of an election being called as well. However it is also inconceivable that Theresa May could carry on as Prime Minister so a change of party leader and Prime Minister may swiftly follow should the deal be rejected. In order to avoid this situation and to maximise pressure for the deal to be accepted the government has been arguing that a rejection of the deal would automatically mean that a no-deal hard Brexit would follow, however it is absolutely clear that there is no majority for this in parliament and moves are already underway to ensure that a rejection of the deal will not in any circumstances lead to an automatic hard Brexit. At this point, which may well arise in the very near future, the prospects of a peoples vote would become a real possibility again should no general election be called or the Labour Party not be allowed to form a minority government.

## **2. UNITE political input:**



Though out this fast moving and critical latest phase in the Brexit process UNITE has continued to have a political input:

- **UNITE Strategy to maximise opposition to the deal:** A UNITE strategy to maximise opposition to the proposed deal has been developed and signed off by the General Secretary. The strategy involves mobilising reps and activists generally but also in particular in those key constituencies where it is thought MPs may need reassurance as to why opposing the deal is essential. A series of other measures are also planned including direct mailing to groups of members, events in parliament, video clips from the General Secretary etc.

### **3. UNITE industrial input:**

Dealing with Brexit as an industrial issue was identified as a key matter and important actions and issues in this respect have continued:

- **NISCs & RISC presentations:** Virtually all of this quarter's NISC meetings received an update on the current state of play with full explanations of the likely outline of the deal and why it would fall short of any tests that UNITE and the Labour Party have set.

- **Meetings with companies and employers' organisations:** As per previous reports meetings between UNITE and various employers' organisations have continued to take place in order to keep each other informed about the progress of Brexit as well as, where possible, to combine lobbying and political pressure.

- **Sister unions and European federations:** UNITE has continued to make our strategy and approach clear to sister unions, both directly in bilateral meetings and also within the structures of the European and international federations.

- **Further research on the impact of Brexit:** Further research to track the exact industrial impact of Brexit has been commissioned in order to build on the picture that has been developed from the Brexit check questionnaires.

- **Collective bargaining strategy:** The UNITE Brexit collective bargaining strategy has now been widely disseminated and is in the process of being implemented. One company – Facilicom – have agreed in principle to the agreement guaranteeing that



they will continue to abide by all EU social and employment legislation even if future UK governments look to eliminate such laws.

#### **4. Documents and Communications:**

- **Documents:** As previously reported there are now some 17 of 21 UNITE sectors with specific documents related to Brexit and how it affects their sector, and a further 4 specialist documents covering Ireland, Gibraltar, and the manufacturing and services sectors as a whole. Five new jargon busters leaflets have also been produced since the last EC meeting;
- **Website:** The UNITE Brexit check website continues to be updated regularly and is functioning well in providing relevant information to activists and members as well as key news items. This communications tool will become increasingly important as the process of Brexit enters its critical phase in the coming months. A twitter account has also been set up in association with the Brexit Check website. UNITE is the only union to have established a dedicated website to deal with the issue;

#### **5. Next Steps**

Although until now the Brexit process has proved to be highly volatile and unpredictable, it does seem highly likely that a moment of reckoning has arrived. In this respect there are a number of key areas that UNITE needs to focus on during the coming weeks:

- **Mobilising to oppose the deal:** Assuming some form of EU-UK deal is made and that this will be presented to the UK parliament during the course of October 2018, it is essential that UNITE is ready and prepared to mobilise and pressure all MPs to vote against the deal. It is already crystal clear that the UK government's proposal is completely incompatible with UNITE's position and therefore every effort must be made to apply maximum pressure on all MPs – regardless of party – to vote against the deal;
- **Continuing preparations for a 'no-deal' scenario:** At the same time as preparing the mobilisation to vote down the deal in parliament, UNITE will also continue to take any and all measures possible to assist reps and activists to cope in a 'no-deal' scenario.
- **Working with sister unions and political allies in Europe:** UNITE will continue to work with sister unions and allied political parties as the critical moment arrives and



make sure the message of the UK trade union and labour movement is heard in the process. Inputs will be made in all of the European and international federations as well as more formally to the European political structures and institutions;

- **Continue to be active at the wider international level:** With the Brexit process unfolding and international trade generally becoming a more critical and difficult issue, UNITE will continue to be very active in the wider international arena to make sure that UNITE members and the wider UK labour movement is not disadvantaged in any new international order that may emerge.

## **ADMINISTRATION AND CONSTITUTIONAL ISSUES**

### **NATIONAL CONSTITUTIONAL CONFERENCES**

#### **3rd Rules Conference 2019**

The 3rd Rules Conference will be held in the Brighton Centre, Kings Road, Brighton from Monday 24<sup>th</sup> to 28<sup>th</sup> June. The conference will commence at 11.00 a.m. on Monday 24<sup>th</sup> June and conclude no later than 12 noon on Friday 28<sup>th</sup> June. Thus delegates will be booked accommodation from Saturday to Thursday nights inclusive. Regional Delegation meetings will take place on Sunday 23<sup>rd</sup> June.

#### **Attendance at conference**

In accordance with Rule 13 the allocation of delegates for the conference was agreed at the September EC meeting. Election of Delegates will take place at meetings held in the first quarter of 2019. The deadline for receipt of delegates' details is 1st March.

We will advise regions to ensure that May 2019 RISCs have an agenda item to confirm delegate(s) and elect a substitute if the previously elected delegate is no longer able to attend.

The rule allows for Retired Member observers. Previously we have not invited young member observers to Rules Conference because of the nature of the conference. Similarly, other visitors are not normally invited to attend this conference.

### **UNITE FINANCE REPORT – 3rd QUARTER 2018**



The financial results for Unite in the 1st Three Quarters of 2018 are very positive, driven by three unexpected factors being: (1) a £5.3 million gain on the sale of the former UCATT Clapham building; (2) a £5.0 million reduction in pension deficit reduction contributions since deficit reduction contributions ended in May; and (3) a £6.5 million year on year reduction in Dispute benefit payments.

More specifically, Total Income amounted to £126.9 million in the 1st Nine Months of 2018, down £2.9 million versus the same period a year ago. Contribution Income fell by £2.8 million due to the decline in members (mostly during 2017) while increases in Driver Care and Affinity Income were largely offset by the expected continued decline in Legal Income.

Total Recurring Expenditure totalled £110.4 million in the 1st Nine Months of 2018 – down £6.2 million compared with last year. This decrease was primarily due to: (1) Employer Dispute costs of £1.7 million (down £6.5 million versus 2017) and (2) Political Grants & Affiliations totalling £2.0 million (down £3.1 million versus 2017) owing to the General Election last year. These elements of lower spending were partially offset by higher Property Costs of £11.2 million (up £2.2 million versus last year) owing to a substantial increase in Rates plus a number of miscellaneous factors. Despite the General Pay Increases, Employment Costs excluding Organising totalled £46.3 million in the first nine months of 2018, down £0.8 million versus 2017. Taken together, due to the decline in Total Income, Employment Costs including the National Organising Department amounted to 40.9% of Income in the 1st Nine Months of 2018 above last year's comparative figure of 40.5%.

As a consequence, Unite recorded a surplus before Investment Income and Non-Recurring Items of £16.5 million in the 1st Nine Months of 2018 – £3.3 million higher than last year.

Investment Income amounted to only £0.2 million in the 1st Nine Months of 2018 -- £2.5 million less than a year ago reflecting relatively flat global equity markets. As stock markets have fallen significantly since 30th September 2018, Investment Income will be a negative amount in the 4th quarter (unless equity markets recover by year end). Non-Recurring Items (excluding Pension Deficit Reduction payments) amounted to a net positive £2.1 million in the 1st Nine Months of 2018 -- £4.3 million better than a year ago. This was comprised the

aforementioned £5.3 million gain on the sale of UCATT Clapham (sale proceeds of £10.5 million less a book value of £5.2 million) partially offset by severance costs of



£1,037,000 and the write-off of VAT on property purchase / refurbishment of £1,893,000.

Pension deficit recovery contributions totalled £4.5 million in the 1st Nine Months of 2018 –fully £5.0 million lower than 2017 due to the ceasing of deficit reduction payments to the UK scheme effective from 1st May (much smaller deficit reduction payments continue to be made to the ROI scheme).

Taking everything into account, Unite posted an overall surplus of £14.4 million for the 1<sup>st</sup> Nine Months of 2018 – a result which was £10.1 million better than last year.

### **Dispute Benefit**

At the September EC, a wide-ranging debate was held on the future structure of Dispute Benefit. While recognising that the National Dispute Fund has been a tremendous success overall, there were nevertheless some difficulties being experienced as some members received more than others. Therefore, it is proposed that the current Dispute Benefit structure of:

- £35 per day from Day One of a Dispute (£17.50 for part time members) plus the potential of a discretionary amount if agreed by the General Secretary and ratified by a subcommittee of the EC be changed to:
- £50 per day from Day One of a Dispute (£25 for part time members) but not to exceed the member's Loss of Earnings with no discretionary amount except any provided by the Branch.

Along with the other benefit changes approved by the EC in September, it is proposed that this change to the Dispute Benefit structure be effective for strike days on and after 1<sup>st</sup> January 2019. It should be noted that the £50 per day is quite a stretch for the Union and, thus, no further increase should be expected for several years.

### **Unity Bank Charges**

Due to further cost increases imposed on Unity Trust Bank by NatWest (RBS), Unity is seeking to pass these on to all customers. Unity presently charges Unite £2.50 per month on each account while deposits, cheque writing and internet banking are free of charge. Unity initially proposed upping the monthly fee to £3.00 per month even though the greater NatWest charges are on transactions, especially cheques. With



this understanding and wanting to keep bank charges down for Branches while also giving Branches an incentive to

switch from writing cheques (Unite currently issue a quite staggering 42,000 cheques per year) to internet banking, we have negotiated the following with Unity:

- Monthly fee is unchanged at £2.50 per month on current accounts
- Cheques deposited to cost £0.30 per cheque while cash deposited to be charged £0.50 per £100.
- Cheques written to cost £0.45 per cheque.
- Internet banking to remain free of charge.

This new charging regime would be effective from 1st January 2019 with the first charges being deducted from accounts at the end of March. Branches that switch to largely internet banking can avoid any cost increase and those who take advantage of the Unity's instant savings accounts can be well ahead, especially as interest rates have already risen some and are expected to increase further. Unite and Unity will also work with Branches to resolve any problems they may have with internet banking and/or to provide training in its use where necessary.

### **Assistant General Secretaries & National Officers**

At the end of the Executive Council the General Secretary informed the EC of various changes to the allocation of AGSs and National Officers.

The GS informed the Aerospace & Shipbuilding EC members that Steve Turner would be taking over from Tony Burke as the AGS responsible for Manufacturing. Tony will still be involved in manufacturing but in specific areas, such as dealing with the International federations, Skills Advancements and Special Projects e.g. CO2 Emissions.

Steve will be replaced by Rhys McCarthy as the new NO for Aerospace & Shipbuilding.

Louisa Bull will take over the Service Industries sector from Rhys, but also keep her duties as the NO for Graphical, Paper, Media & Information Technology.



**Below are the new Organisational Charts**



Organisational chart  
DEC 2018.pdf



UNITE Sectors - DEC  
2018.pdf