



Ford  
Vauxhall  
Jaguar  
Land Rover  
BMW  
Peugeot  
LDV  
TRW  
Delphi  
Federal Mogul  
Continental Teves  
Dana  
GKN  
Grazianno  
Visteon  
Garretts

RIP



JAGUAR BROWNS LANE  
VAUXHALL LUTON  
TRW WEDNESBURY  
TRW AYLESBURY  
TRW LUTON  
TRANSBUS  
MG ROVER  
ERF

Collins & Aikman  
Quinton Hazel  
Montupet  
Albion Automotive  
TDS  
Edbro  
Chloride Batteries  
Sertec  
Denso  
Swindon Pressings  
Kab Seating  
Finnveden  
Caterpillar  
Koyo Bearings  
Kostal  
Bifranggi

RIP

**WHO'S NEXT**

for the

**Motor Industry Graveyard?**

RIP  
WHO'S NEXT?



# Forward

by Derek Simpson, General Secretary



Derek Simpson, General Secretary

Amicus recognises the crisis in UK manufacturing, a sector which is vital to the economic wealth of this country. No modern economy can be successful without a strong manufacturing sector. The figures speak for themselves. Manufacturing provides over 4 million jobs, 20% of our GDP and over £150 billion in exports.

The automotive manufacturing sector contributes around £8.5bn added value to the economy, and accounts for 9.5% of total UK exports of goods. Some 243,000 people are employed in the design and manufacture of vehicles and components, and a further 544,000 in the motor trades which supply, service and repair vehicles in the UK.

Amicus believes the Government is not doing enough to protect our manufacturing base and pledges its full support to fight for the retention of the British manufacturing industry.

Amicus recognises that employment law is different in each of the European countries and a straight comparison is not simple to define. Achieving equality is not merely copying; it's about importing principles. We're talking about changes to redundancy laws and payments, companies having real corporate social responsibility and trade unions having the right to challenge decisions that affect their members' jobs. Amicus welcomes the work being done to introduce the information and consultation directive. This will help, but will not, on its own, provide a level playing field in Europe.

Amicus believes that our workers in Britain deserve better protection at work. It is not acceptable for Britain to have the poorest record of any European Union country in the defence and promotion of legal rights for workers.

Amicus condemns anti trade union legislation that exists in Britain today. It is amongst the most restrictive trade union legislation across Europe. These laws were designed to aid big business rather than protect the rights of trade unionist.

Amicus calls on the Government to harmonise employment protection and trade union rights at the level of best practice in Europe.

We would like to highlight a number of issues of grave concern to the motor industry including:

- Agency Labour
- Outsourcing
- Plant closures

# Agency Labour

The use of agency labour exploits the unemployed and undermines the security of the directly employed.

Many agency and temporary workers suffer exploitation at the hands of unscrupulous agencies as well as receiving rates of pay and working conditions below those of permanent employees.

We want to see legislation that will afford agency workers greater job security and employment rights including:

1. The full and proper implementation of the EU Temporary Agency Workers Directive by the UK Government to ensure that these workers receive the 'rate of pay for the job' as well as working conditions which equate to those workers with whom they are working alongside on assignment.
2. The right of trade unions to be fully consulted and to agree on the use of agency and temporary workers.

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# Outsourcing

We are alarmed at the increasing levels of outsourcing and export of UK Motor Industry jobs.

Economic globalisation and in particular, the economies of both Eastern Europe and the Far East pose real challenges for unions, companies and governments alike.

Amicus believes there should be a full review of business support in the UK with a view to having the best practice possible. We need increased support for research and technology and a dedicated repayable investment fund for the Manufacturing base, including a central role for the Motor Industry. This will assist British manufacturing to compete and grow their business in tough European and global markets.

We note that the Government spends £109 billion a year on goods and services. Amicus believes that the Government must develop a procurement strategy that supports UK jobs and skills and strategic industries. Procurement policy should encourage best practice and fair employment, long-term capital investment and investment in skills and innovation.

Amicus believes that motor manufacturing companies hold a social responsibility to the UK work force and the communities that support their business. Companies must develop investment strategies for skills, innovation, research and development and capital equipment to ensure they remain competitive in the long term.

# Plant Closures

Whilst the effects of globalisation and technological change are acknowledged, many job losses have been due to the short term policies adopted by employers; the lack of proper rights for workers to information and consultation; a lack of skills training and the fact that it is CHEAPER and EASIER to sack UK workers than in virtually every other European country. This means that when multinationals decide to downsize their operation, it is the UK facility that normally closes.

In addition to this multi-nationals are looking to put plants into a form of beauty contest to decide which will stay open. More and more frequently they will announce that a new model will be introduced and open a bidding process to see who will deliver the most cost cutting in the form of pay cuts, increased hours, cuts in holidays, shift pay and premium rates. There is no threat of site closure, just the promise that you will not get any more work when the current models run out. This is becoming more and more prevalent in both the Assembly Plants e.g. GM and the Components Plants e.g. TRW and Continental Teves.

## Level playing field

We are concerned about the ease with which multi national companies can take decisions to close manufacturing facilities in the UK and transfer the work to other establishments within the European Union and beyond.

This is only possible whilst employment legislation in the UK lags behind that of other EU States.

UK labour market regulation must give workers more protection against lay-offs (in line with procedures in France and Germany), which would decrease the incentive for manufacturers to respond to short-term factors like unfavourable exchange and interest rates by closing plants in the UK and moving them abroad. If the UK is to stop competing on a low-cost basis, Government must stop allowing it to be so cheap and easy to fire its workers.

When our employers declare redundancies we want them to have to negotiate a social compensation plan as they are legally bound to do in France and Germany.

When an employer declares redundancies, we want them to have to repay any state subsidies if they fail to follow a reasonable consultation process as they do in Belgium.

If a company faces bankruptcy and is strategically important to the UK we want our government to have the political will to take action to support a rescue package as the French did for Alstom in 2003.

If a British company faces takeover from overseas we want the British government to intervene as the French did for pharmaceuticals company Sanofi Synthelabo.

*"Multi-national Car Manufacturers should be reminded where they sell their product and should be forced into a position where they also build in that location. The UK is the second largest market for new vehicles in Europe and our ability to retain this Manufacturing ability is vital. The Government should take steps to make sure that the following maxim applies.*

*Roger Maddison National Officer.*



Roger Maddison  
National Officer.

### **IF YOU SELL IT HERE – BUILD IT HERE!**

*"Multi-nationals" are now conducting interplant beauty contests to see who is willing to give up the most to get a new model sourced to their plant. The threat is always to move into low cost countries and move away from the West. They now demand wage cuts, increased hours worked, reduced holiday and much more. This is something we are trying to combat by fighting on a European level. To fight globalisation and multi-nationals we need to have multi-national or global unions. Co-ordination groups of unions as a minimum to begin with but ultimately global unions.*

*Tony Murphy National Officer.*



General Secretary Derek Simpson meets MG Rover Shop Stewards prior to the closure.

*We need to put a stop to these morally bankrupt companies blackmailing UK and European employees to take massive cuts in terms and conditions just to stop production moving to another Western European country or to a low cost Country. We need to fight this cancer of bullying and intimidation being carried out by certain multi-nationals. To do this the European Unions need to get together to fight this on a united front.*

*Tony Murphy National Officer.*

*Ironically the three Japanese companies that assemble cars in the UK are all pushing up volumes whilst the traditional manufacturers like Ford and Vauxhall are moving production away from the UK. This is a problem that we need to address as a matter of urgency to protect the UK's Motor Industry and the many thousands of jobs that are associated within it.*

*Roger Maddison National Officer.*



National Officer Tony Murphy with Yuji Kato,  
President of the Japanese Auto Workers

For more information contact  
Tony Murphy on 01782 616020 or Roger Maddison on 0121 569 8900

**Join online at [www.amicustheunion.org](http://www.amicustheunion.org)**

## Summary

Amicus notes that over one million manufacturing jobs have been lost in the UK since 1997. Where our members in manufacturing are made redundant they rarely find another comparable job. Two-thirds don't find a job within a year, those who do find jobs are on around 40% lower pay and only 13% find a skilled manufacturing job.

Amicus believes that a successful manufacturing sector is vital to a successful UK economy and to generate the economic wealth required for investment in high quality public services. While the UK Government has delivered economic stability, this masks the difficulties facing exports in the manufacturing sector.

We believe that more needs to be done by both Government & Industry to ensure that workers in the UK are fairly treated and better trained, in order to prevent further decline of our industry. We urge your full support in implementing the following immediately:

- Appoint a minister for manufacturing.
- Invest in an effective training programme for the motor manufacturing industry.
- Review and strengthen information and consultation rights to include negotiation with the unions backed up by legislation.
- Increased redundancy protection.
- Introduce a mandatory social compensation plan for employees.
- Increase employment protection for all workers.
- Honour all the commitments from the Warwick agreement.
- Adopt procurement policies which support UK jobs.



Tony Murphy and Koichiro Nishihara, president of the Nissan and General workers union discuss items of mutual concern.