

This briefing presents a trade union and a north west of England perspective on the two ship, Future Aircraft Carrier project through the Keep Our Future Afloat Campaign.⁽¹⁾

'Barrow is an untapped source of production capability and could likely play a significant role in the coming shipbuilding programme...where...the demand for assembly facilities will be particularly high between 2006 and 2010.'

Rand

The Future Aircraft Carrier Project – A Trade Union Perspective

BAE SYSTEMS Barrow shipyard, which has built all the Royal Navy's post-war first of class large warships, is earmarked by UK MoD and Aircraft Carrier Alliance to build and deliver the central Megablock No. 3 for each vessel. It is not yet clear if these will be fully fitted out at Barrow or partially finished then towed to Rosyth for final fit-out. It has still to be decided whether the Megablocks will be constructed up to hanger or flight deck level.

The build programme for the two carriers is subject to MoD deciding whether the carriers are affordable and whether individual shipyards' build-strategies are affordable.⁽²⁾ It is still unclear whether any, or substantial, elements of the shipbuilding work will be sourced overseas. France's desire for a second carrier and to use a similar design to the Royal Navy's proposal needs, may influence where key parts of the UK ships will be built. There is also the issue of where the labour skills will come from to build the ships. Given UK budget constraints there are likely to be trade-offs between desired capability and affordability if the project is to be deliverable. Commercial components/systems may feature strongly.

Against this background we assumed the carriers will be built and we pose several questions:

Why involve Barrow shipyard?

We believe Barrow should have a significant role in design work. It is where 60% of the UK's naval design capability resides. HMS Albion and HMS Bulwark are the most recent, large, fighting ships to be designed, built and commissioned for the Royal Navy and Barrow built. Described recently by the First Sea Lord as 'fantastic fighting ships', Barrow shipyard's imbedded expertise, incorporating the lessons learned in building these large warships, is a unique UK resource which can help reduce risk and cost for the aircraft carrier project.

How much module integration is needed, where should it occur?

Barrow's expertise includes delivery of fully integrated, 2,000 tonne, large ship modules. Trying to undertake such work in oil rig yards or at Rosyth on partially outfitted modules will require new infrastructure, new learning curves and could put high demands on local accommodation and stretch supply chains in Scotland.

There is not the large warship integration infrastructure or expertise there. Better to undertake the work using experienced people and established infrastructure. Barrow is independently recognised as having the capability...

'Barrow is an untapped source of production capability and could likely play a significant role in the coming shipbuilding programme...where...the demand for assembly facilities will be particularly high between 2006 and 2010.'⁽³⁾

Are the required skills available?

The carrier project has potential to sustain design and manufacturing jobs in shipyards by helping even out workloads and bridge gaps between various planned naval programmes. It also offers potential for enticing young people into an industry once described as a sunset industry that is now undergoing a resurgence. There needs to be a major emphasis on enticing young people into the industry, supported by Sector Skills bodies – are they doing enough?



The Future Aircraft Carrier
(Artists impression)

Secretariat
**Keep Our Future Afloat
Campaign**
c/o Furness Enterprise Limited
Waterside House
Waterside Business Park
Bridge Approach
Barrow-in-Furness
Cumbria
LA14 1AF

Through-life procurement – is MoD ready for it to be supplemented?

The final issue is through life procurement sustaining key suppliers and more competitive price solutions – affordability. Companies can tender to supply a piece of equipment and maintain it through its operational life, then everyone benefits. MoD need to be geared up quickly to enable this process to be adopted.

(1) for details of the KOFAC campaign objectives see overleaf
(2) MoD press release , 14 December 2005
(3) Rand Europe

How do we see the carrier project delivery in the North West?

The key issue is when will MoD take decisions to enable key milestones to be achieved and jobs to be safeguarded and created? The risk remains that workload gaps will result in shipyards laying off expertise and it may be lost for ever. A go-ahead for the carrier-build needs to be given in the first quarter of 2007. If decisions are taken in the next six months we may see:

- Design work through to late 2008
- Late 2008 steelwork
- First Megablock delivery in 2011/12
- Second Megablock delivery in 2013

Any further delays could create a risk of workload gaps appearing.

What will it mean for jobs?

- 1,000 or more in the supply chain in the north west of England
- New apprenticeship opportunities for up to 20% of projected labour need

Beyond the carriers, Barrow's expertise in design and build of large ships should carry through to benefit the MARS and subsequent programmes.

In Summary - KOFAC URGES GOVERNMENT TO MAXIMISE USE OF BARROW CAPACITY AND GIVE GO-AHEAD BY SPRING 2007



Harry Knowles

Harry Knowles is Chief Executive of development agency, Furness Enterprise Limited, who provide the Secretariat to the trade union-led Keep Our Future Afloat Campaign.

The Campaign Chairman is Councillor Terry Waiting
mobile 07979 591568 terry.waiting@baesystems.com

KEEP OUR FUTURE AFLOAT KOFAC

The 'Keep Our Future Afloat Campaign' (KOFAC), is a trade union-led lobby Campaign involving CSEU, Amicus, GMB as lead unions. Launched in April 2004 as a response to a further round of large scale job losses at the BAE SYSTEMS owned Barrow shipyard in north west England, the lobby has the support of, Barrow Borough, and Cumbria County Councils and Northwest Regional Development Agency.

In September 2004, the then, Secretary of State for Defence The Rt. Hon. Geoff Hoon MP described the lobby as, '...one of the most effective defence lobbies he had come across.'

(Source: Speech to Amicus fringe meeting
'The future of the UK's defence sector', 29/9/04)

KOFAC's aims are to:

- Secure full utilisation of the unique warship and submarine building assets in the north west of England's naval shipbuilding industrial base - the shipyard at Barrow and a regional supply chain of 1,700 companies employing thousands of highly skilled people
- Sustain and grow jobs in naval shipbuilding and its supply chain in north west England.
- Sustain design capability, located in Barrow which accounts for around 60% of the total UK warship/submarine design resource

