



IndustriALL Global Union Networks

Shipbuilding and Shipbreaking Meeting Rotterdam
31st- 1st November 2017

AMWU Presentation

Developing Trade Union Network and Strengthening
Solidarity

BAE Global network - Update

- The network was established at the World shipbuilding meeting in Japan in 2014.
- A key focus was to expand the network delegates involvement across the UK and USA.
- In Australia 2016 the BAE network develop its 12 month plan.
- Over the last 12 month the network has conducted 3 video conference to progress our agenda
- On the 25th October the next 12 months objectives were established

BAE Global network - Update

Network participates

- Australia
- United Kingdom
- USA – Brotherhood of boilermakers & IAM
- IndustriALL shipbuilding / shipbreaking director

Principles in developing BAE network 12 month Plan Perth Australia

- The objective of the meeting is to bring together representatives from BAE workplaces involved with Shipbuilding and Submarine manufacturing and sustainment.
- We anticipate building structures to develop communication structures between sites and our countries.
- We anticipate ongoing cooperation and dissemination of industrial and bargaining outcomes, sharing information on building capacity to negotiate with BAE in the workplace based on real time information.
- To Ensure we maintain and improve workplace conditions and standards, Including Occupational Health and Safety at work.
- To understand the principle of an international framework agreements and consider how we can influence the creation of such and agreement.

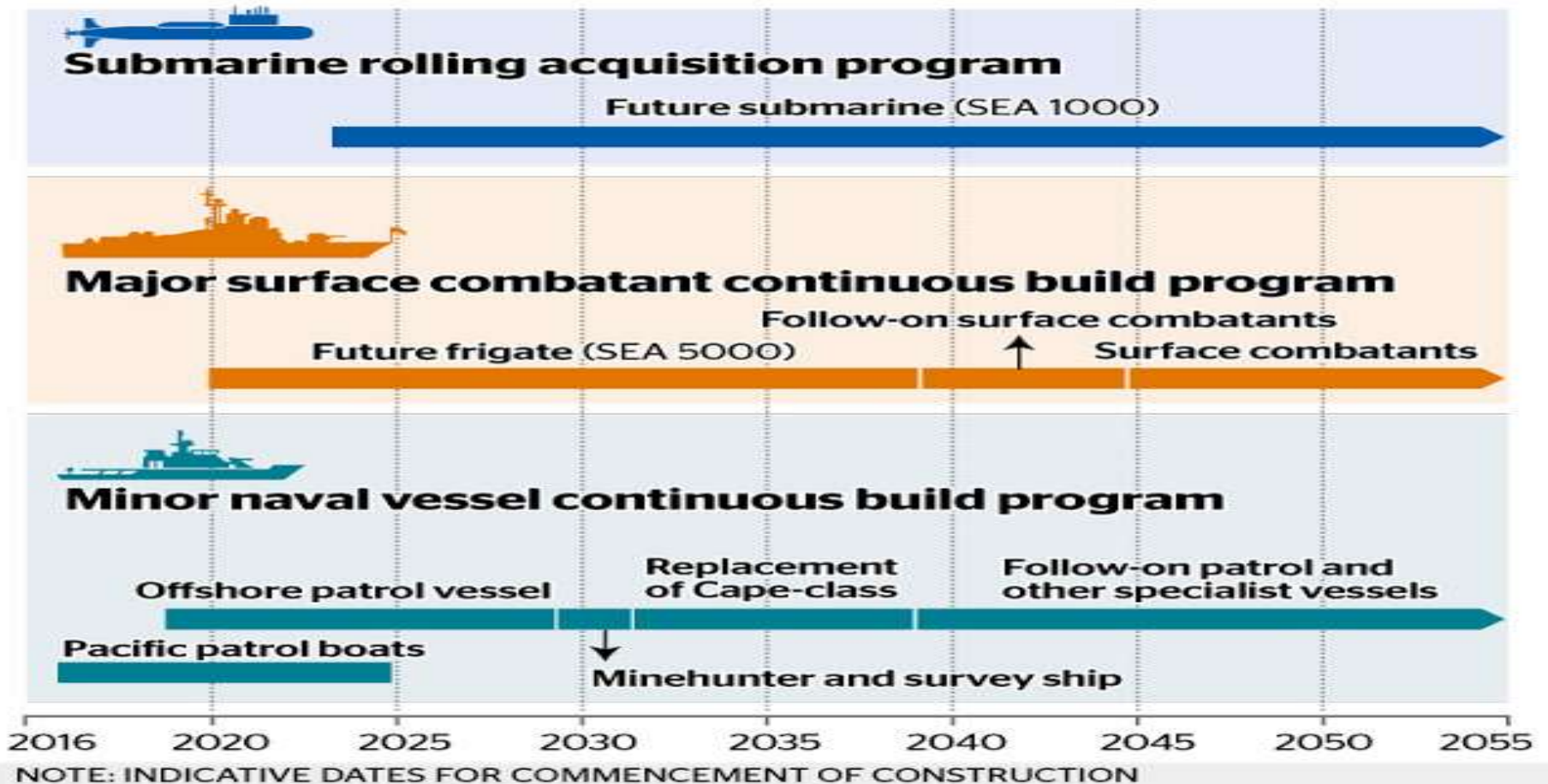
BAE Global network - Update

Key objectives are to:

- Information sharing
- Solidarity across boarder struggles
- Expanding network delegates involvement.
- Working towards building BAE's support for union global activity, and:
 - Develop a global network framework agreement

Opportunities from an Australian perspective to build a global MNC NETWORK

Full steam ahead



Opportunities from an Australian perspective to build a global “MNC NETWORK”



Fassmer - German



Luerssen - German



Damen - Dutch

3 shortlist designers SEA 1180 Offshore Patrol Vessel (OPV)

3 Billion Contract

- Fassmer – Chilean *Piloto Pardo*
- Luerssen – Type 125
- Damen - MV *Sycamore*
- Decision on designer to be built in Australia **expected in coming months**
construction to commence early 2018
- Saab Australia has been awarded combat management system on (OPV's)

Opportunities from an Australian prospective to build a global MNC NETWORK



3 designs short listed

35 Billion Contract

- BAE System – Type 26 British
- Fincanteri – FREMM Frigate Italian –DCNS multi purpose European Frigate
- Navantia – F-5000 Spanish

- Decision on designer to be built in Australia **expected early 2018 prototype construction to commence in 2020**
- Raytheon the prospective combat system integrator
- Saab Australian appointed combat systems developer
- Union MoU's finalised or progressed with all designers

Opportunities from an Australian prospective to build a global MNC NETWORK



Naval Group – previously (DCNS)

50 Billion Contract

- Awarded design contract – approximately 500 million **phase 2 design contract expected signing in coming months**
- Future build contract pending Government decision
- Lockheed Martin Australia - Combat System Integrator to partner
- Construction to commence 2021
- Possible first tier players – Thales, Raytheon
- MoU signed between Naval Group and the Australian Unions @ the Industry forum Pacific2017 - October**

Fassmer

- German shipbuilding firm
 - HQ: Berne
 - Direct Employees: 1,100+
- No external owners, *Fassmer* is wholly owned by the Fassmer family
- No announced plans for acquisition or mergers, but we should monitor other small shipyards or rescue boat companies

Fassmer



Fassmer

- Current contracts
 - 3 x OPV 80 – Germany
 - *Atair II* Research Vessel – Germany
 - Fire Combat Boat – Germany
 - 6 x 28m Class Sea Rescue Vessels– Germany
 - 6 x 44m Patrol Vessels - Malaysia

Fassmer

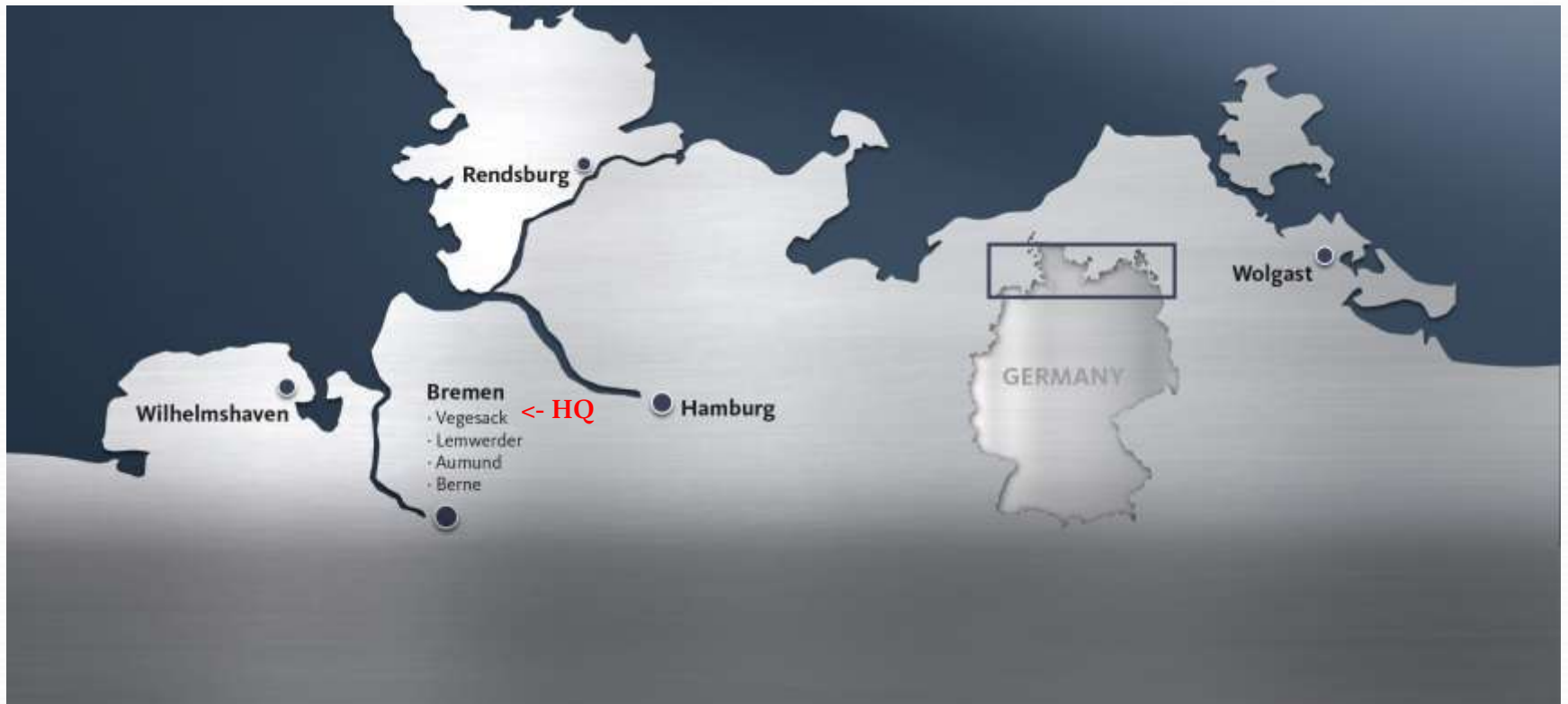
Prospective contracts

- OPVs
 - Australia
 - Chile
 - Colombia
 - Israel

Lürssen

- Germany's largest shipbuilder
 - HQ: Bremen
 - Direct Employees: 1,635
- No external owners, *Lürssen Werft* is wholly owned by the Lürssen family
- Recently acquired German shipbuilding/engineering firm *Blohm + Voss*.

Lürssen



Lürssen

- Current contracts
 - Yachts
 - 2017 *Aurora* (74m)
Al Lusail (123m)
Sasha / Areti (85m)
Thunder (136m)
 - 2018 *Palo Alto* (112m)
 - 2019 *Redwood* (139m)

Lürssen

- Current contracts
 - Naval
 - 4 x F-125 Frigate – Germany
 - 5 x K 130 Corvettes - Germany
 - 15 x Fast Patrol Boats (TNC 35 & FPB 38) – Saudi Arabia

Prospective contracts

- 12 x OPV 90 – Australia

Damen

- Dutch defence, shipbuilding & engineering firm
 - HQ: Gorinchem
 - Direct Employees: 9,000+
- Damen Group is a private, family owned company that has many subsidiaries
- Recently acquired multiple new shipyards in the Netherlands, as well as facilities in Curacao, Vietnam, China, the UAE and Australia
- Were tendering for STX France against Fincanteri & Naval Group but withdrew

Damen



Damen

- Current contracts
 - 34 x Stan Patrol Vessel 4708 (Design) – US Coast Guard
 - 9 x Stan Patrol Vessel 4207 (Design) – Canadian Coast Guard
 - 2 x Stan Patrol Vessel 4207 – Jamaican Defence Force
 - 3 x SIGMA 10514 Perusak Kawal Rudal (PKR) Frigate - Indonesia
 - 1 x Antarctic Supply Research Vessel (ASRV) – Australia

Damen

Prospective contracts

- 12 x OPV 90 – Australia
- Currently contracted to build OPVs for 15 different projects, with 10 projects being built at local facilities

Fincanteri

- Italy's largest shipbuilder
 - HQ: Trieste
 - Direct Employees: 20,000+
- Ownership: 72% *Fintecna* (Italian Gov't), public (<2% each)
- Recently took majority ownership of *STX France*, increasing speculation about merger between Naval Group and Fincanteri

Fincanteri

- *STX France*
 - STX (Korea) put French arm out for sale
 - Fincanteri & Damen made bids for large majority ownership (66%.6%)
 - Damen withdrew
 - French Election – STX nationalization – for strategic purposes
 - On Sept 28th, new ownership structure: has not taken effect at this point
 - 50% Fincanteri (51% with 1% loan from French Gov't)
 - 34.34% French Gov't
 - 10% Naval Group (DCNS)
 - 3.66% STX local suppliers
 - 2% STX employees

Fincanteri



Fincanteri

- Current contracts
 - Naval
 - 10 x FREMM Frigate – Italy
 - Cruise Ship
 - *Silver Muse*– Italy
 - *Majestic Princess* – Italy
 - *Viking Sky & Viking Sun* – Italy
 - *MV Seaborne Encore* – Italy
 - *MSC Seaside* - Italy

Fincanteri

Prospective contracts

- 9 x FREMM Frigate – Australia
- 4 x Corvettes, 3 x support vessels - Qatar
- 21 x Cruise ships between 2018-2025

Navantia

- Spain's largest shipbuilder
 - HQ: Madrid
 - Direct Employees: 5,500
- Ownership: 100% *SEPI* (Spanish Gov't)

Navantia



Navantia

- Current contracts
 - 5 x F-310 AEGIS Frigates – Norway
 - 3 x *Hobart* AWD – Australia
 - *Splendour of the Seas* cruise ship upgrade – Royal Carribbean International
 - 4 x P-41 BAM class patrol vessels – Spain
 - 2 x Supply ships - Australia

Navantia

Prospective contracts

- 9 x F-5000 Frigate – Australia
- Ongoing sustainment of the Spanish naval fleet

BAE Maritime – Naval Ships

- Shipbuilding subsidiary of UK's largest manufacturer
 - HQ: Glasgow
 - Direct Employees: 7,000
- Ownership: listed company stock exchange

BAE



BAE

- Current contracts
 - 3 x Type 26 contract signed expected additional 5 for a total of 8 – UK
 - 5 x OPV – UK
 - 2 x Aircraft carriers – UK
 - 7 x *Astute* class submarines - UK
 - 2 x Minehunter sustainment – UK
 - USS Roosevelt & Vicksburg modernization – USA
 - Submarine Weapons Systems – USA
 - LHD, ANZAC Frigate Sustainment and upgrade - Australia

BAE

Prospective contracts

- 9 x Type 26 Frigate – Australia
- Up to 15 x Type 26 Frigates – design only - Canada ?
- Ongoing sustainment of the British naval fleet

Naval Group

- French Defence Firm
 - HQ: France -
 - Direct Employees: 12,771
- Ownership: 62.49% French Gov't, 35% Thales, 2.51 Employees/management

Naval Group

 **SUBSIDIARIES**  Representative offices



Naval Group

- Current contracts
 - 10 x FREMM Frigate – France
 - 5 x *La Fayette* Frigate – France
 - 4 x *Gowind 255* Corvettes – Egypt
 - 5 x SSN Submarines (possibly 6) – Brazil
 - 4 x *Barracuda* Submarines - France

Naval Group

Prospective contracts

- 5 x *Belharra* Frigates – France
- 6 x *Gowind* 255 Corvettes – Malaysia
- 6 x *Scorpene* Submarines – India
- 3 x *SSN* Submarines – South Korea
- 12 x Modified *Barracuda* Submarine- Australia
- Likely modernization project & future build - Indonesia

NEXT STEPS - DISCUSSION AND CONSIDERATION

Further consideration on developing additional global networks should be made once the Australian tenders are awarded.

Subject to successful country e.g. Germany, Italy, Britain or Netherlands discussion need to be had on host country global coordination

Next :

- WHAT - ?
- WHEN - ?
- WHO - ?