

COMMITTEE OF COMPANY SIGNATORIES TO THE OFFSHORE DIVING INDUSTRY AGREEMENT (ODIA)

WORKFORCE UPDATE – SEPTEMBER 2010

Revised Rates wef 1 November 2010

The Signatory companies have made arrangements to ensure the prompt and accurate calculation of revised minimum Day Rates and Allowances for the year commencing 1 November 2010. The revised figures will represent an increase of RPI + 1.5% on Day Rates and Saturation Payment, and of RPI on Allowances. The RPI figure to be used is that for September, usually published on 23 October, and the resulting rise will be *well* above average pay settlements, both in the industry and generally (average earning rises over 2010/11 are forecast at around 1.9%).

We will ensure that the Signatories' draft figures are passed to the RMT for review before we confirm the revised Schedule of Rates and Allowances. We do not publish these detailed figures for commercial reasons, but the RMT will issue a table with the essential information, and the signatory companies will be happy to advise diving personnel individually of the increases as they affect them.

1 November 2010 will also see further enhancement to the Insurance Scheme, with the level of life cover raised to £90k, Disablement Benefits' baseline to £45k, and Temporary Total Disablement Rate payable for 56 days. Further information on this may be found in the downloadable ODIA Agreement (Clause 7) at <http://www.odia.org.uk/cms-filesystem-action/offshore%20diving%20industry%20agreement%202009-2012.pdf>

The possible 2 new Compensation Schemes

The Signatory companies are currently undertaking a 'trial run' of the possible 'Lobby' schemes during August and September, to test out whether the systems work, and also to cost both the levels of payments (which would be made) and the management and administration costs of running the schemes. It is agreed with the union that the establishment of these schemes is contingent on the Signatories' ability to recoup the amounts from clients. So, doing our research on these issues will help when we approach clients on the fundamental question of funding.

The ODIA board met on 2 September, to consider preliminary feedback on the trial run, to agree the factors against which we will consider pros and cons, and to plan what we have to do before reaching conclusions on the possible schemes in November 2010.

A number of factors have been identified, including

- Costs (of payments made, of management / administrative time to run the schemes, and our ability to control costs)
- Broader ramifications of introducing new compensation schemes (eg: the impact on industrial relations, and the responses of other groups of workers)
- The impact of introducing the schemes on the way we manage operations, crewing and logistics
- The extent to which we can manage additional costs contractually (eg: some contractors and some jobs hold that possibility, but others do not)
- Likely clients responses (including reviewing the outcome of attempts to introduce recoupment clauses to date, and the state of the marketplace over the last 12 months and over next 2 years – how conducive to introducing additional cost?)

We believe that it is critical that we meet with managers from client organisations in advance of making our decision, and we feel that it is best to do so informally, with managers we know, so we can be confident of a fair hearing and of receiving a candid and honest response.

Once we have the results of our trial / cost exercise, considered the consequences of introducing the schemes (and of NOT introducing the schemes), and received feedback from clients, the ODIA committee will take a view on whether we believe that the 'Lobby' Schemes can go ahead in April 2011.

The matter can then be discussed fully at the Stakeholder Forum on 11 November, and conclusions communicated to vessels, worksites and teams thereafter.

Competence – an ODIA 'transfer scheme'

Since the RMT asked the ODIA to look at how we could 'transfer' assessed competence between contractors, we have seen things move apace.

- IMCA has published a high-level 'Information Note' for contractors to use to guide their local 'transfer' arrangements
- IMCA is working on simplified packs for all diving division job functions which can be used as 'common' competence records across all participating diving contractors
- ODIA Signatory companies have designed local mechanisms to deal with requests for transfer / recognition, how to deal with problems, and how to manage oversight and QA

The Signatory companies agreed at their meeting in September to continue with this work programme with the aim of developing an ODIA 'transfer' arrangement by Autumn 2011. The hope is that having competence 'recognised' will bring benefits to both the contracting companies, and also to the workforce as it should reduce duplication and support earlier and faster completion of competence. Workers will also gain competence certification which would be portable from company to company.

The Signatory companies also agreed to undertake further research to support 'transfer' of competence:

- possible measures to support very-transient workers access and make progress through competence schemes (advice, verification, certification, record-keeping), and
- a possible framework which could bring together all skills / training / competence requirements and records, and help individual workers coordinate and manage these

We have revived our Working Group to oversee the detail of the project, and Roy Hay of Technip has agreed to serve as the IMCA / ODIA link. We will keep you and the RMT up-to-date with developments.

Qualifications, skills, competence, training – improving coordination

A number of discussions have taken place between the RMT and the Signatory companies over the last year on broad training / qualifications' issues, including:

- variations between contractors on the qualifications which diving personnel are expected to have
- the range of certifications required for work in other European sectors
- the absence of a competence 'transfer' arrangement
- the different approaches to 'maintaining' competence once a worker has completed an IMCA-based scheme

The Signatory companies have some ideas about how we might coordinate these issues better, and therefore get better value from the £4m we spend each year (on diving-related training allowances and in-company skills and competence programmes for diving activities).

Please be assured that this is NOT about taking money away from you – this is not under consideration. We feel that we could do more to 'join up' all the skills acquisition, qualifications, certificates and training you do, in ways which would promote consistency, align training to the future skills needs for the UK sector, and give you appropriate recognition for the professional way you fulfil your roles.

This is a discussion we want to have WITH you – we want to hear your views, and listen to your ideas. We hope to have initial discussions with RMT reps at the Stakeholder Forum meeting in November, and we'll suggest how we could broaden the discussions in the next Workforce Update. Derek Moore has already tabled some proposals from the workforce 'side' and we are keen to hear more, and hopefully to agree a joint way forward.

Meetings between RMT and Company Signatories

We have continued to have regular dialogue with Derek Moore and Jake Molloy, as well as discussions with individual workers and crews on visits.

As well as the issues set out in this Update, examples of matters discussed are:

- Relationships with non-ODIA -contractors (particularly inshore contractors professing to do offshore work)
- The Maritime Labour Convention and implications for diving personnel in the UK sector (eg: divers' medicals)
- The level of the Divers' Additional Training Allowance, and the training it is supposed to cover
- RMT and ODIA involvement in Step Change in Safety and in the HSE's OIAC forums
- Economic trends and forecasts as they relate to ODIA

Stakeholder Forum

The rescheduled meeting of the new joint ODIA Forum (including worksite / vessel reps, contractor managers, company reps and labour supply company managers) is scheduled to take place on Thursday 11 November between 11am and 1pm, at Bibby Offshore's offices on Waterloo Quay in Aberdeen.

The aim of the Forum is to promote constructive industrial relations within the diving industry in the UK sector, the pursuit of improved workforce engagement to enhance understanding of mutual issues, and the establishment of an inclusive forum for discussion of relevant matters and collaboration on shared projects.

All the issues set out in this Update are proposed for discussion at the meeting, and we hope that a large number of reps can attend and contribute your views.

We hope that diving personnel will use this forum to pursue issues of importance to you. Please contact us if you would like more information or to participate in the discussions.

Further information, comments, complaints or questions on this Update?

Please contact Val Lockhart on info@odia.org.uk , 01224 526431, or your company RMT rep, Derek Moore DIVEATDEREK@aol.com ; the RMT office 01224 210118, or visit the company signatories' website www.odia.org.uk

