

Northern Ireland Affairs Committee

Oral evidence: [Bombardier](#), HC 533

Wednesday 22 November 2017

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Members present: Dr Andrew Murrison (Chair); Mr Gregory Campbell; John Grogan; Lady Hermon; Jack Lopresti; Conor McGinn; Nigel Mills; Ian Paisley; Jim Shannon; Bob Stewart.

Questions 1 – 63

Witnesses

I: Susan Fitzgerald, Regional Industrial Officer, Unite the Union; Jimmy Kelly, Irish Regional Secretary, Unite the Union; George Burnside, Senior Lay Representative, Unite the Union; Noel Gibson, Senior Lay Representative, Unite the Union.

Written evidence from witnesses:

– [Unite the Union](#)

Examination of witnesses

Witnesses: Susan Fitzgerald, Jimmy Kelly, George Burnside and Noel Gibson.

Q1 **Chair:** Good morning, everybody. I would particularly like to welcome Mr Kelly and your colleagues. It is really good of you to come a significant distance today to better inform our deliberations. As you know, we are very exercised about the situation around Bombardier. Although recent news in connection with Airbus is reassuring, this Committee is interested in the long-term future of Short Brothers, given its absolute centrality to the economy of Northern Ireland. I will pass the floor over to you to give a brief rundown of the situation as you see it before we crack on with some questions.

Jimmy Kelly: Thank you, Dr Murrison, and thank you to your colleagues for this opportunity to engage. Reflecting back on the early days of the Trump election campaign and election into the presidency, listening to some of the comments around "America first" and "USA, USA", we did not think for a minute that we would be centre stage in all that stuff so soon. There was no long lead-in to a process where there were arguments for and against and we were able to present cases in a process that would give you a bit of time. We were literally called in by the management in Bombardier and given a number of hours' notice of what was coming down the pipeline.

The decision that came out of that trade commission was very fast, as opposed to the WTO process. That would have been a much longer process, with much more opportunity to engage and try to influence the outcome. We were moved into that process and the decision then comes out with tariffs that are just unsustainable. This was not a single figure percentage added to Bombardier produce, where you might be able to revise costs and in some way cope with a certain level of tariff. This has gone to 220% plus 80%, so 300% tariffs. It is unsustainable for any business.

What we are looking at is the hostile move by Boeing. They suffered no detriment. There is no impediment to their ability to do business, but it is a hostile move against Bombardier. We have already met some local politicians back home, senior politicians right across the board, and engaged with local councils. We are lobbying as much as we can. We are obviously engaging with them, with Secretary of State Brokenshire and with shadow secretaries right across the political sphere here. We are also engaging with the Senate and Congress the week after next in the US. There is also engagement in Canada. We are on a campaign to seek to reverse this decision.

The impact, as you have touched on briefly yourself, is horrendous. Politicians that are here from Northern Ireland know this better than anybody. The consequences of this are devastating. It will destroy certain communities in Northern Ireland. If it goes over the edge of the cliff, with the total loss of Bombardier, and the consequences here could make that



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happen, estimates of the multiplier effect of that bring you up to around 20,000 jobs lost. Communities are emerging from conflict. The peace process does not just click in the following morning and everything is bright and beautiful. It takes a long time.

There was a peace dividend promised around that. We are seeing the opposite. Again, politicians here from Northern Ireland would be familiar with the loss of Michelin, the loss of the JTI Gallaher plant. They were all good jobs around a particular area, Ballymena. Add in the consequences here from the loss of the jobs in Bombardier and the effects do not even bear thinking about.

The problem for us is we are on the big worldwide chessboard. We feel that we could be squeezed, as a small country in the middle of this row within superpower blocs, with bigger countries not giving us the priority that we should get. We are looking to your Committee. We hope that your findings at the end of the day will show that there were no rules broken, nothing illegal happening, and that Boeing does not have a sustainable case against Bombardier. That is what we will be trying to encourage your Committee to do.

I am joined here today by George Burnside, who is a senior representative in the plant in Belfast, Noel Gibson, who is a senior Unite representative also in the plant, and Susan Fitzgerald, who is our Unite officer for Bombardier. We appreciate the engagement, and that is the sort of emphasis we would hope to bring and hopefully get a report that would be favourable to our case in defence of those jobs.

Q2 Chair: Thank you. That is very succinct and much appreciated. I am struggling to think of an occasion when Government Ministers have been more vociferous in a matter of this sort. If I may be candid, I have been quite impressed with my colleagues in their defence of Bombardier in Northern Ireland. However, I would be very interested in your views on how the Government have approached this and what more you think Ministers should be doing with their various interlocutors to bring pressure to bear in this matter.

Jimmy Kelly: I will not go into a long-winded reply to that. I will shorten it to saying, with all due respect to the Prime Minister, when we hear her saying, "I phoned Donald Trump," the feeling back in the plant is: "We do not think that is really fantastic." Is Boeing not being encouraged by Donald Trump to wave this protectionist flag—wave the flag that is in defence of jobs in America to the detriment of people outside? We absolutely appreciate what has been done by politicians and the Government, but we do not think it has gone far enough.

What could have come centre stage was a direct indication to Boeing that sizeable contracts that are placed by the UK Government with Boeing should be put on the table. That would say, "This hostile behaviour means that there is a review of sizeable UK Government contracts." That would say to Boeing, "We are not just passive bystanders." The fairest



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answer to your question is there have been supportive comments. We have not had a door closed in any way, but we feel that it is not going far enough in saying what needs to be said to Boeing and the Trump Administration.

Q3 Chair: Your sense is contracts like Apache, perhaps Poseidon P-8, should be brought into play here. Since you are a national union, and given the possible implication for Boeing sites throughout the UK, you would be comfortable with that.

Jimmy Kelly: Yes, that is a good way of putting it. We feel that there might be discussions going on behind closed doors and maybe some aspects of this picture that we are not fully briefed on, but we have to deal with what we know and can see. We feel that if this is an indicator towards what is going to happen in the world of post-Brexit trade deals, it does not bode well at all if this is what emerges when there is a difficulty.

Q4 Jim Shannon: I met some of your Unite colleagues yesterday at the Boeing reception they had here. They are having some problems, Mr Chairman, as well, in relation to their employment practices and where they are at this moment in time. That is by the by. Donald Trump made his announcement, which annoyed us all. I congratulate the unions on the very strong and vociferous way that you represented the workers at all the factory sites, as indeed did the GMB union as well.

I am going to start with very dark news, Mr Chairman. Over the last period of time there has been a turnaround in relation to the orders that have come in for the C Series. That has been good, because it has been an endorsement from countries across the world when there may have been problems with the USA. One of the suggestions that came up was the relocation to Alabama. I am aware of this and I want to get your opinion, as a union, in relation to it. They might construct some of the C Series there and thereby get by the tariff issue.

The unions that I spoke to, which included you, by the way, and others, suggested that that may not bypass the system for tariffs. If you were bringing the parts in to construct them at the new factory in Alabama, they may put tariffs on that. However, even if Airbus were able to do that, what are your thoughts on that? Do you think having the supply chain going to the factory in Alabama is the way forward? Should opportunities be there for the workers to relocate? Has the union considered that?

I also want to know about your joint programme and representations with the other unions, such as the GMB union, who I also met. Be assured that we in this Committee are as committed as the Chairman has said. The Minister and everyone the whole way down, from the very top, are committed to ensuring that Bombardier are staying as they are. Take that message home if you take nothing else.

Jimmy Kelly: To take that second point first, we are up for working with anybody we can but absolutely up for working with the GMB in the plant.



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We have good relations in joint union efforts, so we are on board for that. On your first point, Jim, it might be appropriate for Susan, Noel and George to offer some views on that.

Susan Fitzgerald: Understandably, people want the best possible outcome here and are grasping at straws. We were cautiously optimistic about the developments in terms of Airbus, but it does not get us over this hurdle in the short term. If parts are coming in, the argument still stands now that they will be subject to tariffs, so Alabama does not necessarily get over the hurdle of where the plane is actually produced. That is not an answer in and of itself. Airbus does provide opportunity in terms of their marketing expertise, sales and access to their supply chain and maybe better rates there, but it does not get over the situation in terms of these tariffs.

If the Department of Commerce and, latterly, the ITC proceed with these types of tariffs, or really any tariffs of any significance, given the initial outlay on an aircraft of this kind, it is not just the impact on Bombardier. You have Bombardier, but then you have Belfast. Arguably, Belfast is sunk. People around the table will be aware that currently 25% of the workforce in Belfast—or Northern Ireland, I should say, more accurately—are engaged on the C Series. That was due to jump to 60% in the next couple of years. If there is no C Series and the other projects are ramping down, not ramping up, then there is no Bombardier in Belfast. That is 4,000 jobs and 10% of the economy.

Q5 **Jim Shannon:** Could I quickly tell you one small point? I know it applies in my area, and I suspect it applies in some other MP's constituencies in Northern Ireland as well. There is a supply chain. It is not just Bombardier; it is more than that. I know in my constituency I have two companies in particular that are part of that supply chain. It will have a devastating effect upon the supply chain because of the dependence upon Bombardier for the majority of the work that they do. Could you give us some comment, suggestions or information in relation to the supply chain as well and how critical that is for jobs? It is not just Bombardier; it is more than that.

Jimmy Kelly: Yes, absolutely. We are using the figure of 20,000 jobs as a result of the 4,000 effect. You do not need to spin this; the facts speak for themselves. That goes across all the communities across Northern Ireland. It even impacts on some businesses in the Republic of Ireland that are part of the supply chain. This is why I was making that earlier point about the scale of this stuff in this row between supersize companies and countries. That sort of an impact on a population of our size in Ireland is just devastation.

George Burnside: When the C Series was first on the drawing board, Bombardier had a jobs fair, where local firms could come and say, "This is what we can supply into your supply chain." When the C Series was kicking off, Michael Ryan made it clear that he would rather use companies close to home, so everybody could benefit from the C Series.



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That is why it is so imperative that we try to do away with these tariffs. Like I say, it is wide-ranging. The majority of them are from Northern Ireland. Some are from mainland UK, and a considerable amount are in the south of Ireland as well. It really affects the whole of the UK and Ireland.

On the tariffs themselves, 50% of the C Series is built in America. Their engines come from Pratt & Whitney. It is calling the kettle black. They want to put more jobs into Alabama, but even if you read the press this morning Boeing are still having a go, saying there will be no plant set up in Alabama, it is a smokescreen and everything else. It would be a devastating effect. Jimmy touched on JTI Gallaher. Potentially, you have the Schlumberger plant shutting down in Newtownabbey as well. You have the Caterpillar factory shutting in Newtownabbey as well, on top of the other job losses.

Manufacturing is in a serious decline in Northern Ireland. I know we will get a full backing, but hopefully what comes out of this Committee is that some sort of manufacturing strategy needs to be set up in Northern Ireland to protect what is left. These jobs that we are losing in Schlumberger and JTI were good-paying jobs. You can see from our submission that the weekly wage in Northern Ireland was something like £538 pounds a week, but the jobs that are being created are just over £300 a week. Okay, there are still jobs being created, but there is not the same amount of cash flow going through the small shops and businesses.

Q6 Lady Hermon: It is very good to see you all here this morning. I have to say you can tell from the tone of your voice and your appearances that this is a very serious and worrying situation for you. To establish the facts at the beginning, may I ask what percentage of the workforce does Unite represent within Bombardier Northern Ireland?

Susan Fitzgerald: It is over 3,000 members.

Noel Gibson: It is over 90%.

Q7 Lady Hermon: Is it really over 90%? I know you have the GMB as well, but presumably all of the unions are working closely together.

Jimmy Kelly: Yes, absolutely.

Q8 Lady Hermon: Thank you. Let's establish that from the very beginning. George, you mentioned there that in fact what we need is a manufacturing strategy in Northern Ireland.

George Burnside: Yes.

Q9 Lady Hermon: Would that be helped by having an Assembly?

George Burnside: 100%, yes. We did meet the two main parties, the DUP and Sinn Féin, and the two of them were helpful. However, we feel that we have been let down in that none of representatives from the DUP or Sinn Féin even went to Washington.



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Q10 **Lady Hermon:** Really?

George Burnside: No. I do not know if it is because of the collapse of the Assembly or anything else. I am sure if Peter Robinson was there, or the Reverend Ian Paisley or Martin McGuinness was alive today, they would have been in Washington. There is no doubt about it.

Q11 **Lady Hermon:** What would you like local politicians to do? We can talk about the British Government in a minute, but what about local politicians, since we are on that theme? What would you like them to do now, as a matter of urgency?

George Burnside: The main parties should be in Washington. They should be in Washington, on Capitol Hill, rapping on doors. When you speak to the employees off the shop floor, they see no Executive there. I do not want to get dragged into Northern Ireland politics, but they seemed a bit more interested in languages and flags than everything else, and everything else was going down the tubes. It is a serious situation.

Lady Hermon: That is very disappointing. It is.

Jimmy Kelly: To reinforce that point, we had a meeting with the EU Commission on Monday in Brussels. A lot of their guidance was towards what George was describing—that there was a real need for pressure on people that might be friends towards us in the Senate and in Congress. That would be really helpful.

Q12 **Lady Hermon:** Such as who? Who are friends of Northern Ireland or Bombardier?

Jimmy Kelly: We have had a lot of engagement ourselves, as a union, on issues where the peace process was being outlined as a way that might be helpful to other countries. We had engagement with supportive politicians in the Senate and Congress. The point was that we should engage further, which we are doing the week after next, to have somebody close to the Administration saying what we are saying about pulling this back from the edge of the cliff that it seems to be heading towards.

Q13 **Lady Hermon:** That was the advice of the European Commission when you met with them.

Jimmy Kelly: Yes, on Monday.

Q14 **Lady Hermon:** That is very interesting. Was it on Monday of this week?

Jimmy Kelly: Yes.

Q15 **Lady Hermon:** It is as recent as that. Can I ask you about timescales? For some reason I have it in my head that there is a deadline coming up soon for the preliminary finding of the Department of Commerce in America. It is in December. Am I right?



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Susan Fitzgerald: 18 to 19 December, yes.

- Q16 **Lady Hermon:** The preliminary finding imposed the ridiculously high tariffs, which ultimately ended up at 300%. The deadline of the preliminary hearing means—correct me if I am wrong—if the US Department of Commerce is not persuaded of the arguments in support of Bombardier and the C Series, the preliminary imposition of those tariffs will be confirmed. Is that correct?

Jimmy Kelly: That is possible, yes.

- Q17 **Lady Hermon:** We are up against a very tight deadline.

Jimmy Kelly: Yes.

Susan Fitzgerald: It is a matter of weeks. On that, to jump back to Jim's point about the supply chain, there is unlikely to be a member of the House sitting in this room who does not have a supply chain housed in their constituency. From Newtownabbey to Huddersfield, to Bangor, to Southampton, it goes across the border.

Lady Hermon: It does indeed.

Susan Fitzgerald: In Northern Ireland there are 10,000 workers engaged in aerospace to varying degrees. Bombardier itself and then the surrounding supply chain impact represents a significant chunk of that figure. On the idea that that could be absorbed if this were to go south, it just will not happen. George made the point there that there is not any room on the back of Michelin, Gallaher and Schlumberger—another company that this House needs to be looking at as well. They made an announcement a couple of weeks ago that they want to close a plant that has stood there for over 60 years. Since that announcement, they have had another 10 million in orders.

I am not going to get into the point about the Assembly in any extensive way, but we were in Brussels two days ago. We spoke with a representative of the Commission. They say they are doing what they can, and we appreciate that. We met with Greg Clark a number of weeks ago. He says the Government are doing what they can. A significant portion of the population of Northern Ireland is subject to economic terrorism in reality at the minute. Their futures, and the future of the community surrounding them and their families, are all hanging in the balance.

- Q18 **Lady Hermon:** You are saying that America is responsible for economic "terrorism".

Susan Fitzgerald: I am saying that there is not a viable—

Nigel Mills: You cannot use the word "terrorism" in a Northern Ireland context. That is outrageous.

Chair: Order, order.



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Nigel Mills: You cannot use the word “terrorism” in a Northern Ireland context. That is not appropriate.

Lady Hermon: Sorry—the witness used the term.

Susan Fitzgerald: To be honest, when our members, their families and arguably their communities are put under threat because of a boardroom decision, because of corporate greed, or because of a policy of protectionism, in 2017, I am fine with that term. If it is offensive to you, I will withdraw it. It is economic thuggery. It is economic blackmail. The bottom line for us, as a trade union, is that thousands of working-class people, our members and their families, will face a devastating future if this is not resolved.

I am not looking to pin the blame on anyone, because you are talking about Trump. You are talking about an unsound relationship between the UK and Trump, and no strategies are emerging. Absolutely no strategy has emerged from Europe. The main strategy that came out was that we should go and speak to friends of Ireland in America. We go cap in hand and we say, “You have Schlumberger, Michelin and Gallaher, and you are going to add Bombardier to the heap.” Will that lead to instability? Of course it will. When you take decent-paying skilled jobs out of a society and you do not replace them with anything, what does that do in any situation, let alone in Northern Ireland, with a difficult history?

These are the things at stake here. I do not think we should be pulled to task over off-the-cuff language, to be honest. We have a number of weeks to try to impact this in whatever way we can. We are told we cannot, because of the formality that is the Department of Commerce decision. Then after that the ITC will either rubber-stamp or not in February, and people will know their fate then. Airbus is not a decisive factor here.

Lady Hermon: That was very compelling.

Chair: It was.

Lady Hermon: Frankly, that was very compelling. Thank you very much indeed.

Chair: Yes. Thank you for that.

Q19 **Lady Hermon:** Given the seriousness of the situation, you made it quite clear that we cannot afford to lose Bombardier in Northern Ireland at all. You explained that you have been advised that you should go and speak to friends of Ireland, indeed friends of Northern Ireland, in the Senate. What more should the British Government be doing? Do you feel that the British Government is powerless in this situation? When you met Greg Clark, what was your impression? What more did you ask him to do? We also need to ask you about the Canadian influence.



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Jimmy Kelly: We have said from day one on engagement with the British Government that the force of the argument on our side is not being put. We see the bullying tactics of Boeing getting the dominant ground on this and they are not seeing any downside for their action. In other words, the contracts that are there from the UK Government to Boeing should be raised as being reviewed in the interests of UK workers anyway for production facilities, and why should it all be sent out of this country? We are saying that it is not good enough to say that behind the scenes and talking to Donald Trump. It needs the language that is making it clear that this is not going to be tolerated. It is not going to be a win for Boeing and no consequences attached to it. That is what the Government needs to be saying.

Q20 **Lady Hermon:** Yes. You need the Prime Minister to be making a very public statement in condemnation of what is going on.

Jimmy Kelly: Yes, absolutely.

Q21 **Lady Hermon:** What about the new secretary of state for defence, Gavin Williamson? Have you had the opportunity to speak to him about contracts with Boeing?

Jimmy Kelly: No.

Q22 **Lady Hermon:** Have you sought a meeting with him?

Jimmy Kelly: No, but we certainly will. We are not excluding anybody, so we certainly will.

George Burnside: On that, what is really disappointing for us from the side of the British Government is that they gave a repayable loan to Bombardier of about £113 million. That was a repayable loan, which was at a higher rate than the banks, because the banks would not lend Bombardier money at the time. When the Prime Minister was meeting with Justin Trudeau, when he was saying that they were going to cancel the Hornet jet, she should have been saying it was a repayable loan that was given to Bombardier in Belfast. I think the £113 million was going to save jobs in Belfast as a bribe or whatever you want to call it. When the Prime Minister was in Canada at that time, there should have been a stronger approach from her.

When we spoke to the two commissioners in Brussels, they also stated since the Trump Administration came in they have noticed a major change in tactics and a more frosty relationship.

Q23 **Lady Hermon:** A frosty relationship with whom?

George Burnside: With Europe. It is America-first policies now.

Q24 **Chair:** Can I press you a bit on that? Your union has the relationship with Workers Uniting, a transatlantic arrangement, as I understand it. I expect you have been in touch with your interlocutors in the States, many of whom, of course, will have voted for Donald Trump. I am interested, I



suppose on a philosophical level, in their attitude to what is going on at the moment. If it comes to it that Northern Ireland loses out in this, then there are those in the States who potentially benefit from it. How does that dynamic play out?

Jimmy Kelly: In the official engagement that we have with, for example, USW, United Steelworkers, in the States and in Canada, and leaders like Leo Gerard in the US and Ken Neumann in Canada, they are absolutely 100% supportive of what we are about here. We have explored the feeling of people who would have voted for Trump and the dynamic that came into play there. If you are living in an area where all you own is the T-shirt and jeans that you are standing in, and you do not have the ability to work, to get a job, do you fall for the Trump line of "I will make America great again" and all that? Yes, people did fall for that. Areas that had lost jobs right across the board were obviously going for that.

The unions are really challenging that and bringing members to the understanding and mindset that those promises are not worth the paper they are written on. You are not going to be brought to some paradise under Trump's policies. They are taking on the point that you make, Chair, about, "Is this not a contradiction? Why would I be bothered if there is a possibility of 1,000 jobs in Alabama? Would I have Belfast up on the top of my agenda?" Those are things that come to play. The unions that we are engaging with are determined to try to get the truth across that that is not going to lead you to the promised land. Those rust belts that are described in that sort of language are not going to be brought to the promised land. It is a challenge, and I think that is why Boeing are at that this morning and yesterday.

Q25 **Ian Paisley:** On that point, where this does not add up for me is that 52% of the C Series is built in the United States of America. There are five times as many people working for Bombardier in the United States of America as there are in Northern Ireland. At that point the whole simplistic Donald Trump argument falls apart. He would be kicking out 23,000 American jobs and losing 52% manufacturing of the C Series. Surely it is a lot more complex than that, and this is about big corporations versus big corporations in a deliberate attempt to take over another company, and they failed. Is that not what really happened here?

Jimmy Kelly: You are spot on, because there are also possible plans further down the line that we do not even know about today, whether it involves China or the connection between some of the companies that Boeing would influence. Our problem is that narrative is not coming out. The narrative is Boeing are the big boys, they have showed that there is something funny about the grants or the assistance to Bombardier, and that has to be shown up for what it is, and we want to obliterate their existence.

Q26 **Ian Paisley:** Airbus taught them a lesson, didn't they?



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Jimmy Kelly: It is hard to get the value of these sorts of victories or defeats and show how it is going to move Bombardier into a position where we protect and defend those jobs. In another scenario, there is huge possibility for expansion in Bombardier within the group and within the jobs in Belfast.

Q27 **Ian Paisley:** In Northern Ireland? That composite department in Northern Ireland cannot be repeated anywhere else in the world, as far as I understand.

Jimmy Kelly: Yes, absolutely.

Q28 **Ian Paisley:** Even in a scenario where Bombardier would have been damaged by Boeing, the composites unit in Northern Ireland could not have been moved quickly. That now remains probably impregnable because of Airbus's very good actions. Do you not agree with that?

Jimmy Kelly: It is hard to bank that and pin all your hopes on it. What Airbus will want is certain benefits from the huge investment that has gone into the early days by Bombardier. They will want to lift that expertise. The stronger that engagement becomes, they will be lifting expertise. There will be an impact on Belfast, because Airbus is not going to give "free, free, free" and benefits to Belfast. They are going to lift what suits Airbus. There are certain moves being made on that big chessboard that look good on paper.

We had a meeting ourselves, because we have strong representation within Airbus. We have had good meetings to get the underground read on what is happening in Airbus from our Unite representatives. We are all not definite that we know what the future plans exactly are.

Ian Paisley: Chairman, I will just declare an interest. I have a family member who works in one of these companies.

Chair: Thank you for that.

Q29 **Bob Stewart:** To be honest, I am very concerned about the skill base of Short Brothers. I remember as a boy looking at something called an SC.1, the first vertical take-off and landing aeroplane. My father was an RAF officer. He was in Belfast to try to get it going with Short Brothers. It is huge heritage. I feel very strongly that we have such skill in Bombardier/Short Brothers. Jimmy, what sort of representation has Bombardier made in the United States? Has it put together a paper or a book? Has it taken Unite and other unions along with it and directly gone to Washington, on behalf of not Montreal but Belfast? Is there massive lobbying of the American Government to say, "This is wrong and it has a big impact on us. Please believe it"?

There is another dimension too, which Susan mentioned, of possibly going back to the troubled times. If you start losing jobs in places like Northern Ireland, it links into unrest—not just working men and women, but skilled working men and women, and people above that level also



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lose their jobs. It is the whole range. I am blathering on here. The question is: what is the company doing to go in hard into Washington, and presumably with union support?

Jimmy Kelly: I would like Noel to come in on that, give you that feel of our engagement with the company from day one, and answer your question.

Noel Gibson: In fairness, as regards the Boeing complaint, absolutely we are 100% on the same page as Bombardier. Why is there nobody from the company here today, for want of a better word? Why is it not a joint group? We have redundancies today. Bombardier is nearly bankrupt. It has committed to downsize and get rid of 7,500 jobs from functional areas, so we have our own problems outside of the Boeing complaint. But it is not just another problem, because it has the potential to close the site. I know people would say that is an exaggeration. That is not an exaggeration.

The companies put down here in our submission are the major suppliers. There are about 800 within the UK and Ireland. These are the major suppliers that most people would be familiar with, rather than giving you reams of pages of all these small suppliers. I know the union are far too conservative in saying 20,000 jobs; it is much bigger than that. You have to look at local shops. They are dependent on footfall coming in every morning on their way into work et cetera. It is not just about those directly employed within Bombardier.

The EU Commission advised us to go to Canada. We were always going to Canada, and we were always going to the States. It heartened us that people were saying that we were doing the right thing, because sometimes you are jumping in the dark. When we meet anyone, whether it is the boss of Boeing, Trump or whoever; we will meet them and we will receive them. It does not matter who or where they are.

It is not about putting Boeing workers against Bombardier workers, because we have colleagues working in Boeing. It is not about that. It is about not letting corporate business get into situations where workers are the collateral damage. That is where Governments need to step in. It is not so much that we want the British Government to make a threat, because we know it is difficult when you have major contracts, and there are legalities around that. If Boeing do not remove this complaint, and if for talk's sake the commission goes our way and everybody is jumping for joy that they are throwing it out, of course Boeing is going to appeal, and we will be caught up in the same situation for the next five years, and by that time Belfast is gone. Major companies like Bombardier or Boeing will make decisions on the negative outcome later on. They will not take the chance that everything goes wrong for them. That is what we came for today, with the redundancies today.

Q30 **Bob Stewart:** I take it from that answer that you mean Bombardier is slightly limping at the moment. It has had drip, drip, drip of redundancies



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over the last few years—batches of redundancies. It is limping. I take from that, by implication, that you might feel that the company should be doing a damn sight more pushing in Washington.

Noel Gibson: No, in fairness, they are pushing in Washington. They are a major company. They probably have better contacts than we have. I know somebody mentioned about the jobs they have in the US. There are Senators et cetera who are saying to the Trump Administration, “There will be X amount of jobs in my constituency,” but I am here about our constituency. Something else will be there about their constituencies.

George Burnside: I take the point you are making, Bob. At the very start, Bombardier and Boeing did sit round the table and try to resolve the situation. We thought they were getting somewhere, and then the next minute Boeing got up and walked away. The feedback that we got from Montreal was that they near enough were there, and then over the weekend Boeing came back into the room—

Q31 **Bob Stewart:** Boeing moved away.

George Burnside: They said no.

Q32 **Bob Stewart:** Okay, I understand. You want every support you can get in Government.

Jimmy Kelly: Can I add a point? That is a powerful point Noel raised. The consequence of this is not going to happen way down the line. It creates a climate where decisions on investment now will be at least parked, or else abandoned, because of the feeling of these tariffs and what is happening here. That is key.

Chair: That is understood.

Q33 **Conor McGinn:** I declare an interest: I have received a donation from Unite the Union, which I declared. I am also a very proud member of Unite. I want to welcome you here this morning. The work that you have done on the shop floor regionally, and the support that you have had from the union leadership, has been incredible. I am pleased that it is at the forefront of people’s minds. It is an indication of the strength of the trade union movement in Northern Ireland. It is also a reminder of how, even in the darkest times, the trade union movement always stood shoulder to shoulder with and for workers of and from whatever background.

Since 2015, there have been a series of redundancy announcements. I have been trying to work my head around the figures and how they relate to each other. Initially, in 2015, there was an announcement of 280 job losses. In early 2016, over 1,000 redundancies were announced to be spread over 2016 and 2017. Then there were an additional 50 jobs to be cut in 2016. Then in September 2017 there were 95 job losses, which the company specifically said were not related to the Boeing issue. Then after the Airbus announcement, there were another 280 job cuts.



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You made the point very well earlier that you feel you are pawns on what is a worldwide chessboard, as you put it. There is that and a wage freeze that was proposed a couple of years ago now. We talk about figures and trade, but fundamentally—Susan, you made the point very powerfully and eloquently—this is about people. It is about their families and community. I ask the two reps: how are workers feeling? How are their families feeling with this insecurity hanging over their head? What has the company done to support them? I would imagine it is a terrible thing to worry about your job when there is this announcement, but this has not happened in isolation. People have been worried about their jobs for the last three or four years, so what has been the impact on the workforce?

Jimmy Kelly: Noel and George can come in on that, because you are right: that is the reality. We are conscious of staying in touch with the shop floor the whole time, rather than being off on a round of meetings in Westminster, Canada and the US. We have to bring the workforce with us and understand where we are trying to go on this campaign. They are feeling a bit punch drunk with redundancies, wage cuts and this now being thrown into the mix. It can become overwhelming. We say to our own members when we meet, "At the dinner table with your family this evening, this is what is stuck in the front of your mind. You are not even listening to the kids telling you about what happened at school or whatever. You are stuck with this mindset of what sort of future, if any, do we have with the consequences of this." You describe it accurately, Conor. Noel and George might like to make a point.

George Burnside: It has been ongoing. When I first went into Bombardier, 27 years ago, it was 10,500 odd. Now, with this latest round of cuts, it will bring it down to just under 4,000. The unions all worked constructively, using the word loosely, with the senior management team in Belfast. People tended to have one job. They turned round and said, "Because this guy is out long-term sick, this guy can go in and do his job. It might be at a higher rate or it might be at a lower rate of pay, but he still gets paid the same." The company is cost-cutting. What is making it awkward for us is we are seen as trying to defend the company when these redundancies are going on at the same time, and people are confused about it.

You have the younger ones and the apprentices. They have suspended the apprentices' programme now for the last two to three years, which is very disappointing. They have closed the final salary pension scheme to new members coming in. These are decisions the guys on the shop floor are reluctant to talk about, but they are seeing it for the betterment of trying to save the company. They have done a lot of stuff. As you know, we had a very bitter wage dispute for nearly two years. That was hard going. It split the workers in half. It is that or redundancies. It is constant. When you walk through the shop floor at times, instead of taking 10 minutes to walk to the office where you were going to meet



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somebody, sometimes it can take up to half an hour. People are coming up and asking you "What is happening?"

At times, the company will not release all the information because there is sensitivity around the markets and everything else, so sometimes we are kept in the dark about what is going on. It is very disturbing. I can understand the younger generation, who are only making their way in life now. This is a job, and it is a good job, with good terms and conditions and everything, but there is nothing else out there in Northern Ireland though. You cannot go in to the likes of Schlumberger, or the shipyard, or anything like that. I know the term that Napoleon used—that we are going to become a nation of shopkeepers. That is the way guys off the shop floor feel, to be honest.

Q34 **Conor McGinn:** This has not happened in isolation, although because of the Boeing dispute there has been a lot of attention focused on Bombardier and the jobs in Belfast. There was an Executive in 2015, when the first tranche of job cuts were announced, and again in 2016. There are two parts to fundamentally the same question. When it was in situ, what was the Executive doing, if things like the apprenticeship scheme were halted, to address any of that? What has the Government done, in terms of tangible support for the workers and the company, since the Boeing dispute has been announced? What actual, tangible things have they done to try to resolve this dispute to the benefit of workers in Belfast?

Noel Gibson: On the apprentices, we had an agreement where there was at least 40 of them a year. Between the C Series, they are trying to bring the Global 7000 on to the market. I am sure most of the politicians in here know they had to shelve the Lear and take a hit on that as regards a write-down. Belfast, because we were on part of all those contracts, has to take its part of the write-down. They are having to get their finances back on track, as we cannot continue to bring in less than we are spending. That is economics, but our workers are the easiest option to reduce cost. Let us put it that way. When it comes to reducing cost, the easiest option, or the simplistic way to do it, especially within the UK, is to let workers go.

I am sure a few of you remember when Fokker collapsed. I was one of the guys on those training programmes. The Government did see a bit of sense, saying, "Rather than have us paying somebody on the brew, trying to find somebody a job elsewhere, or putting them through a training programme for jobs that are not there, why do we not help Bombardier in retraining and keeping these guys in training until the CRJ—at that time—"comes into production?" That is why I have been here 27 years instead of two years, because I was not let go at that time.

Governments work differently now. They are very reluctant to come forward. It could have helped in places like Michelin et cetera. We get the argument about the cost of energy in Northern Ireland. Bombardier is going to end up having to try to put in their own biomass plant, because



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Government are not doing anything. At the end of the day, if the Government are not going to do anything, multinationals will make decisions that will impact us. If the costs are too high, the jobs go or they find some way of getting the costs down themselves if the Government are not there to help. The Government need to do a lot more, not just in this situation but from a UK-manufacturing point of view. That is why somebody mentioned the manufacturing.

This here is critical to the Northern Ireland economy, Bombardier. George is right: you feel exposed. I am a spokesman for the workers and Bombardier, because if the company is successful, our members have jobs. The more successful they are, the more people we have working in there. In the last two and a half years, we have gone from 7,100 to less than 4,000 after these redundancies announced now. As part of the mitigation, you get some volunteers and all, but, at the end of the day, I would rather see the job there than a volunteer go. I want the job there.

The company is doing what they can do, which is limited. They are offering for some of our workers to go and work in Canada et cetera, which irks me even more, because they are trying to get new programmes in the door: "They're hiring; we're firing," so we are still the collateral damage. The Boeing dispute will just kill us there, because we will not be economically viable in Belfast if that programme falls.

Q35 Mr Campbell: The scale of this problem has been mentioned a few times by members and by you. I suppose even if it was 400 or 4,000 jobs, there are not too many occasions when this early in an American presidency we find an issue that started in the White House, in part, which trickles down in the end to very large companies implementing policies that bring in the Prime Minister of the United Kingdom and the Prime Minister of Canada to make representations. For a Northern Ireland company, we are talking about fairly unprecedented territory. In my time in politics, I do not recall when you can have job implications that start in the White House and include Canada, the UK and 10 Downing Street all within a couple of weeks. They are all happening, unfortunately, in the gap of direct rule—not direct rule, but no devolved Government in Northern Ireland.

I know my colleagues, Arlene Foster, Nigel Dodds and others, including Gavin Robinson, the MP for East Belfast, are making continual representations to the industry, but this is all happening in this vacuum. In the vacuum that we are in, and then the announcement of the link up, what sort of representations do you have with the local management, in terms of Bombardier and Airbus? That is from the announcement, and then from the couple of positive announcements in terms of contracts that were announced in the latter part of the summer and autumn. What sort of relationship have you had with the management during those latter points of a) the link up and b) those positive announcements that happened thereafter?



Jimmy Kelly: Our engagement would be led a lot on the management side by Michael Ryan, who has a vice-president global position and is from our place. That is a help in the sense of when orders would be getting allocated and getting Belfast in the normal run of things. That would be helpful. As Noel says, it is not about us raising the flag for Bombardier management. It is about their defence of the jobs, but we are having solid engagement with management. It has not moved into joint Unite, management and Airbus engagement. We have had separate engagement with Airbus over the past few days. We made sure that we are up to speed on Airbus workers understanding exactly where we are at and understanding exactly what they are picking up in Airbus. That engagement is taking place, Gregory.

If I have heard it once, I have heard it 100 times over the past few weeks that this is the perfect storm in terms of what happened in the White House, what filters into Boeing, and all the things that have been described by the team here. It is a perfect storm if ever there was one. We are trying to stay on a page of not being depressed and overwhelmed by the whole thing, without selling super optimistic messages back to the shop floor. We have to be factual in dealing with the shop floor, but staying on a page that makes us committed to the possible prize of defending the jobs into the future and making a good future for people.

It fits into not wanting to be using the language of all these job losses meaning the end of the peace process. We do not want to be defining something that is just not right, but there are societal issues. There are dark forces that would want to go back that way. Surely high unemployment, no hope and no future for young people feeds into that, does it not, whatever the emphasis you want to put on it? It is a factor. What you describe, Gregory, is the challenge that we are absolutely on top of. It is getting to a space where we see that light at the end of the tunnel, but at the minute we are just lining up what we need to do.

Q36 **Mr Campbell:** That is helpful. You have said you have had consultations and discussions both with Airbus and separately with Bombardier management locally. I know the announcements are not comparable to the potential loss, but have you had any discussions in the aftermath of those announcements to see what prospects there are for even further expansion there? That might help mitigate some of the problems. That is what I am getting at.

Jimmy Kelly: I do, absolutely.

Noel Gibson: In fairness, obviously they have not signed anything. Their intention is to go into a commercial agreement on the C Series programme. It obviously has to go through the regulatory bodies. Both parties have agreed not to engage in any shape or form. When we say we have met, we have met trade union members, but we meet with them every day of the year, every year. That includes Boeing members, because we sit as aerospace committees. As regards commercial meetings with Airbus and Shorts Belfast, or Bombardier Belfast, there



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have been no meetings whatsoever. They have agreed that there will not be until such time as they say no or do not say no. I suppose we are waiting to see where the tariffs go and what further complaints come in from Boeing. There is a lot involved in all that.

Susan Fitzgerald: If you did not have this heavy threat looming, with the potential for jobs, for expansion, you would have to base yourself hugely in the positive. Other companies are developing or attempting to develop something similar, but they are light years away from where the C Series currently is, in terms of offsetting the environmental impact, fuel efficiency, noise emissions et cetera and the capability of what the C series can deliver. It is revolutionising aircraft travel et cetera. That exists there now. The potential orders, enthusiasm and skills—job development—that could come of that that are huge. That is the context. Everyone wants this product. Everyone is vying for it, by appropriate means or otherwise, and that is the backdrop.

Other than that being the baseline, all the rest of it is irrational. Ian is quite right. 50% of power supply for the C Series is done within the US. If you are just looking at that, what they are proposing to do is self-defeating. Boeing is completely irrational. They did not even bid for the Delta order, which is arguably the basis of their complaint, because they could not bid for it. They did not have anything that was the equivalent of the C Series. If you take it on its own, it is entirely irrational. Trade wars are irrational as well.

Conor asked the question in terms of what the Government have done. Jimmy was right: we have not been denied any meetings. We have had meetings with Greg Clark. James Brokenshire has been over to Belfast. Unusually enough, he was at the Unite head office on the Antrim Road. He has been on the Bombardier site, but to what avail? That is not a jibe or a jab. Where is the strategy? We understand that these are huge situations. Noel was right: the issues around defence are highly complicated. However, there seems to be no leverage whatsoever being deployed, despite the scale of the custom between the UK and Boeing. We stand in solidarity with Boeing more because we do not want anyone's job put at risk. It is not about that. That is why we pull our punches in the demands, but in any situation weakness invites aggression. We do not see a strong fight being advanced on behalf of the workers and associated workers of the C Series.

Jimmy Kelly: Yes, absolutely.

Q37 **Chair:** One can see why it is that Airbus should take an interest in Bombardier, given the apparent uniqueness of what goes on in Belfast around aerospace. Other than the rather destructive intervention of Boeing, are you aware of anything more positive or productive from Boeing by way of their commercial interest potentially in Bombardier and the future of Belfast?



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George Burnside: I know the talk at the time was also that Boeing was offered the same deal as Airbus, but Boeing did not want it. In actual fact, Boeing wants to kill the C Series dead. There are no ifs or buts about it. The reason we cannot get a foothold into the US market is because, if you thought you were going to buy a plane and it is not going to be delivered because of the tariffs and everything, you will take no interest in it. The plane can take off from the City of London airport and fly direct to JFK, whereas a 737 cannot do that. They are not in that market.

Airbus got the deal of the century. There is no doubt about it. They now have a complete family of aircraft if the C Series moves in there. They have not sold a 319 or a 318 for years and years, but this fits right into their market now. There is a possibility if the tariffs are adopted and the deals go through, that is some of their orders. They have a backlog for 10 years. That is their backlog. It is 10 years.

When Bombardier was trying to break into the market, Boeing was near enough giving 737s away to keep Bombardier out of the market. What Boeing is doing is denying the American public a chance to fly in a far superior aircraft. As Susan says, it is environmentally friendly and it is outperforming all the things it is supposed to do, yet Boeing is trying to stop it from going into the market. I do not think they fear the C Series 100 to 300. The plane, because of its wing capability, can go up to 500, and that is what their fear is. They said they made a mistake when they let Airbus in the market and they should have killed them at birth. They are not going to make the same mistake here with Bombardier.

Q38 **John Grogan:** This has been very powerful evidence. Incidentally, I am pleased to see that the supply chain extends to Huddersfield and God's own county of Yorkshire. That shows how it is a United Kingdom issue, as well as an issue for Northern Ireland. I have just one question. I want to give two quotes from Prime Minister Trudeau. He said, "We won't do business with a company that's busy trying to sue us and trying to put our aerospace workers out of business." He also claimed that Boeing's challenge was not in keeping with the kind of openness to trade that we know benefits citizens in all countries that you have mentioned. Is that not the final lesson? There are 1,000 Boeing workers and then the subsidiaries in the United Kingdom as well. It is all very well putting them on the table, but in the end, if this becomes a trade war, no one benefits. Whether it is the British Government in fairly strong language, or the European Commission, or hopefully the Assembly and the Northern Ireland Executive in the future, that defence of free trade is crucial in the end, isn't it?

Jimmy Kelly: Yes. Boeing could withdraw this. It is in their ability to withdraw the complaint. Just looking at the few interventions by Trudeau, we thought it was stronger and more forceful than Theresa May's intervention. Where it gets us at the end of the day is hard to predict. We



are just demanding that force is used by the British Government to defend the jobs in Belfast.

I think Ian was exploring earlier the positives around the Airbus situation. We can see the possibilities there. If you simplify it down to the tariffs remaining, you can put an Airbus logo on the plane tomorrow morning and the tariffs apply to the plane. That is the treacle that we are trying to wade our way through.

Q39 Ian Paisley: Could I echo the words Conor made about Unite the Union? Since 2010, as a Member of Parliament, I have had considerable dealings with Unite, and, frankly, you have been brilliant in terms of your engagement with public representatives. You have been very responsible in terms of how you have had to conduct very difficult situations for your workers. I have certainly appreciated that as we have gone through the mill in Ballymena with regard to JTI and Michelin. Your rally in Ballymena for jobs and manufacturing jobs put a real fillip into the situation. Getting people like Liam Neeson involved was very helpful. Susan, I know you were very dedicated to that task and I appreciate that effort. It is good to be able to put that on the public record at this forum. I hope that good work continues.

It is almost like *déjà vu*. America destroyed Concord, effectively, by their conduct, and wrecked technological advantage there. There is no doubt an effort here by a large American company to flex its muscles to destroy what you have described as a brilliant aircraft, and that is very worrying. I want to ask a question about the manufacturing strategy, because we have to look ahead at where this is going. There are two things that come into the manufacturing strategy. First, there is cost of productivity in Northern Ireland. The cost of production is extremely high because of high energy costs.

My proposal on that is the most unpopular proposal for the consumer, because I believe that manufacturers should receive a low tariff. The only people who then have to pay for that are you and me, the consumer. It is not the most popular thing to say, but I have said it. I have been left standing out on my own. I understand that totally, but we have to address that somehow.

The second issue is our low productivity levels. I have always been encouraged by the thought that we have a hard work ethic in Northern Ireland, but the figures do not show that. Unfortunately, the figures show that Japan has a work ethic stronger than ours. Germany is 11% ahead of us in productivity. The United States of America is 37% ahead of us in productivity. What do we do to address those two key areas of cost of production and low productivity if we are to have a genuine manufacturing strategy for Northern Ireland?

Jimmy Kelly: We have put forward our own contribution to what you are describing there, Ian. I do not know whether we have distributed this to colleagues on the Committee. It is the Unite/Manufacturing Northern Ireland proposals for an industrial strategy. I suppose I would describe it



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as we do not want to become experts in the last closure or redundancy, so we know all the stats and we know exactly where it happened. We want to be part of the solution to a way forward. When you look at the manufacturing record of Northern Ireland, it is fantastic. I am probably looking at the past in those terms. I come from manufacturing myself, working in a factory, and always worked in the private sector, so I get that.

I do not know the exact position on the low productivity you are describing, Ian, because our experience would be workers are absolutely dedicated to all those industries where we have members. There are wage systems in there that define productivity and extra bonuses for extra productivity and all that side of things.

We relate to the energy difficulty, but it is ironic that we are talking here about the difficulty of Bombardier. They have moved in the direction of producing their own supply of energy. They are successful in everything that they have attempted to do. I suppose the point is we are up for wider engagement on what you raise. It is in all our interests to have that.

Q40 Ian Paisley: Do we need to get engaged with schoolkids again at the primary level and encourage them not to be lawyers and doctors but to be professional engineers? Is that where we need to start this manufacturing strategy?

Jimmy Kelly: We are absolutely defining that, Ian. The engagement that we have had right across the board defines that. We are also involved with a number of organisations on apprenticeships, not training for unemployment but training for skills that are needed in Northern Ireland. We are up for all that. Do we have the perfect answer to everything? No, we do not, but we do have a contribution to make.

Q41 Ian Paisley: Let me make this very personal to Northern Ireland. How do we get the next 10 Willie Wrights out of Northern Ireland, as opposed to the next 10 great lawyers? How do we get great manufacturers, great inventors?

Jimmy Kelly: There was a time I would have said "How do we get Willie Wright out of Northern Ireland?" after I had the first bust up with him, but I know exactly what you are saying.

Susan Fitzgerald: That was a controversial example.

Q42 Ian Paisley: He is one of the most creative geniuses in Northern Ireland in this century.

Susan Fitzgerald: As the officer from Ballymena, it is controversial. On the point, I quickly want to deal with this, because I do not think there is one answer. I am originally from Dublin. I am based in Northern Ireland now. As a trade unionist—



Ian Paisley: We will knock the rough edges off you.

Susan Fitzgerald: Not off my accent. As a worker, I am now, in an adopted way, incredibly proud of the history of skills and crafts in Northern Ireland, but it has been eroded. One industry after another has been eroded. No one is going to develop that in a vacuum. There is limited or a really skewed commitment to developing apprenticeships and skills. What we have now is the development of two-year apprenticeships. Young people are going in in good faith, coming out thinking they are qualified, and they have nothing at the end of it, because the official apprenticeship schemes and programmes are insufficient. They are not developing people. They are not giving young people skills or accredited skills certainly, or the ability to move on in their chosen sectors.

I would take issue with the productivity. I do not think you are intending it as a slur in any way, but it is frequently—

Q43 **Ian Paisley:** No. I am quoting a 2016 PricewaterhouseCoopers report on productivity.

Susan Fitzgerald: I understand. If we were given the opportunity on a case-by-case basis, I think we would answer that. I am the officer for Rockwell Collins, an aerospace company in Kilkeel. You cannot compete on that company. It is a global company and has just been taken over by United Technologies. Nowhere else in the world can they compete with the productivity and quality that comes out of that plant. Schlumberger is now threatened with closure. The customers of Schlumberger globally insist that the work comes out of Belfast because of the quality. There has not been investment in that plant in five years. You are never going to compete in productivity when the equipment is not there and you are using substandard machinery that has not been looked at in a decade. That is a discussion that needs some genuine input from all sides.

On the other point on energy, when the Michelin announcement was made, we sat with your other colleagues, Ian. There is a lack of developed infrastructure for people and business in Northern Ireland. The fact that Northern Ireland does not control energy costs is a huge issue. It has been handed away. You cannot be inventive when the elephant in the room is that we do not control energy cost. We do not have a direct input on that. That is the major problem. There needs to be discussion in terms of efficiencies, the environment and business. All these things are outstanding. It is a huge challenge for workers and administrators going ahead.

Noel Gibson: You talk about what we can do with reference to productivity. I get annoyed when people say we are not productive here in the UK. Whether that is in Belfast or the UK, it does not matter, because I know plenty of workers who are highly skilled and well sought after around most parts of the world. The problem is that when people talk about productivity, they are thinking about, "They are not drilling a



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hole quick enough,” or “You are not turning a spanner quick enough.” It is about everything that Susan said there. It is the wrap rate. It is the overhead costs.

Imagine Germany. What is Germany’s energy cost compared with the UK’s? In regard to industry, what do they do to develop kids? They bring them from school right through into workplaces, apprenticeships and universities. From no age, they bring them right through. That is their basis. That is where they start with their industries. They bring them right through until the end of life, and they do not stop educating them. We always want to do it as a Government, but it is always who is going to pay for it. That is what happened with the apprenticeships. Part of what happened with the apprenticeship scheme in Shorts is we brought in the levy to companies. In the UK, the employer gets the levy back. In Northern Ireland, it goes into the Barnett formula.

Q44 Ian Paisley: We are hoping the formula will be fixed. We are working to try to get that fixed, because that is absolutely critical. We are significantly disadvantaged by the apprenticeship levy in Northern Ireland, and yet our major companies, like Bombardier and others, pay significant millions into that levy.

Noel Gibson: They have to pay whether they have an apprentice or not, because it is based on the turnover, albeit we are in turnover loss at the minute, so it cannot be that much.

Q45 Ian Paisley: You are saying, from what I am picking up from you, you have these ideas. You are open to having this discussion on a sector-by-sector and issue base, from education, through to productivity, through to energy costs. However, there is not that regular engagement there. There is not a forum for you to do that. Am I right on that?

Jimmy Kelly: Yes.

Ian Paisley: Perhaps we can talk about that.

Noel Gibson: Going back to Boeing, what people have to realise is the Trump Administration could be using us as a test case, and it will be a different sector next month, and a different sector a month after that. Then at some stage the UK is going to have to say, “What do you want to trade these for?”

Q46 Ian Paisley: It is very easy to blame Trump here, but he is the wrong enemy in the room. It is not that simple. I am up for the discussion, but I do not think it is that simple.

Noel Gibson: I am sorry if I blamed Trump for everything.

Lady Hermon: Would you like to speak to your friend?

Ian Paisley: I did speak to him over this issue. I emailed him twice.

Lady Hermon: Did you get a reply? It is pretty topical.



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Ian Paisley: I am reluctant to say what my conversation was, but I did have engagement with him, because I felt it was my duty as a Member of Parliament to use that.

Noel Gibson: I will move on from that and answer your question. Why did Boeing not go to the WTO? Why did they use an internal mechanism? More importantly, why did the American Administration set up the internal mechanism? It was for one purpose only: to have a shortcut for American companies to stop people selling into the US. That is all. There is no other reason for it. We are caught up in NAFTA, because they are having their disputes between Canada and Mexico. Unfortunately, we are part of Bombardier, even though we are in Belfast. As we said, we are caught in a perfect storm.

Chair: The important thing is that words mean what words say. "America first" gives a message, both to corporations and to governmental institutions, that they are likely to follow. I rather fear that has happened in this case.

Q47 **Nigel Mills:** On that topic, you have been critical of the Prime Minister and the Government for not being strident enough. Would you worry if this became a real political hot potato for the US Administration it might make it harder to find a sensible way out of this? Are we not better trying to convince the two US departments that have to finally rule on this that there has been no harm to Boeing and that that is the best way out? Having a big transatlantic spat might make that a bit harder to achieve.

Jimmy Kelly: It is hard to imagine that it could be worse.

Nigel Mills: Things could always be worse.

Jimmy Kelly: I know what you are describing, but from where we are sitting we could not take that view and say, "Okay, they are going to talk behind the scenes and everything will work out and be fine. We do not want to start a big row between possible political opponents. We might get caught in the middle." We could not take that strategy.

Q48 **Nigel Mills:** Can you see why the Prime Minister would want to use relatively strong words but not come out and slag off the President?

Jimmy Kelly: We do not see it like that. We see a weak effort at supporting what needs to be done. We have to call it as we see it, and we have given honest answers to your questions.

Susan Fitzgerald: Nigel, maybe the Prime Minister is doing everything that she can do. Maybe Greg Clark and James Brokenshire are, but that is not enough. That is the problem we have. Everything that the UK Government can reasonably do is not enough. That raises all sorts of other questions when we use Trump as a shorthand for these new political global relations, where workers are being put on the back foot. There is no one emerging with some answers, other than the trade union movement and people who support that. We are not attacking or



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criticising Theresa May. We are saying if the UK Government do not have answers for workers in the UK, that is a whole new dilemma. That goes much beyond 4,000 or 20,000 workers.

George Burnside: When Wilbur Ross was over here two or three weeks ago I was watching the breakfast news. He more or less came out and said, "When you have your Brexit talks and you have any sort of relationship with Europe, do not come to the US." They are even trying to dictate what sort of talks the Government should set up for Brexit.

Q49 **Nigel Mills:** Is it not pretty fair to say that all the big aircraft manufacturers have had various financial help from their various Governments over the years, be that Boeing, Airbus, Bombardier, whoever else? This is not an industry that does not get various help for all parties, is it? It is a bit rich for Boeing to moan about Bombardier having had some assistance when they have had plenty from the US themselves.

Jimmy Kelly: It is two faced, yes.

Q50 **Nigel Mills:** We ought to be clear on that. Do you think the Airbus solution of assembling the US orders in Alabama provides a sensible way out here? The US can believe they have some more jobs onshore to the US and now there is no need for those tariffs. That looks to be the solution that keeps everybody sort of happy in this situation.

Susan Fitzgerald: It may represent the golden bridge for the Administration to retreat back across, or it may not. It may not be enough. Will Boeing be happy with that? The US Administration may see that as a happy medium in the short term, but Boeing may not. They are the petitioners to the complaint.

Q51 **Nigel Mills:** Since Airbus took, I think, a 51% stake in the C Series, have you had any discussions of what that means for the plant in Belfast? The media coverage would suggest this opens up the C Series to much greater marketing, and hopefully much greater sales than Bombardier seemed able to manage. Is there some scope for some good news from that tie up—that there could be further growth in orders and perhaps some more jobs for this series, rather than fewer?

Jimmy Kelly: Yes.

Noel Gibson: For starters, they have not signed up to anything yet, and it is 50.01%.

Susan Fitzgerald: Ian mentioned that.

Noel Gibson: It is 50.01%. It is a lifeline to Belfast as regards the wings, because they are buying into the programme. They are not buying into the Belfast wings. They are buying into the C Series programme with Bombardier. The property rights on the wings are aligned to Belfast. I know Ian said earlier that we are the sole supplier, so it would not matter



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who bought Bombardier. If the programme continues, certainly in the short term the wings would have to be delivered from Belfast. What happens later on somewhere else?

Q52 **Ian Paisley:** I understand that technology is unmovable.

Noel Gibson: Today it is, yes.

Q53 **Ian Paisley:** Yes, in seven or eight years probably.

Noel Gibson: Yes, that is what I am saying, in the near term.

Q54 **Chair:** What makes it unmoveable? Those technologies are transportable.

Susan Fitzgerald: The intellectual property is owned by Short Brothers.

Noel Gibson: That is not what makes it unmovable. If Airbus was a success and we got a backlog of 6,000, they could not depend on one assembly line in Belfast supplying 6,000 aircraft. They would have to have two assembly lines in Belfast, which we would like. That will be a commercial decision by multinational companies.

Q55 **Ian Paisley:** From what I understand, the composite skill is so advanced in Northern Ireland that it cannot be moved easily. It is not transferrable.

Noel Gibson: No, it is not. Today it is not. You are right.

Ian Paisley: It is very difficult, and that is giving us an important strength. Mr Chairman, when we visit Bombardier we should ask to see that, because that is the unique selling point of Bombardier.

Q56 **Mr Campbell:** It is a competitive edge that they have in Belfast that is not replicated elsewhere, from what we have been told, at the moment.

Noel Gibson: Yes, at the moment

Q57 **Nigel Mills:** At this stage, you have had no positive discussions that say this Airbus tie-up may help generate future orders and this could be good news. That has not happened yet.

Noel Gibson: They are brought in for PR and global reach. You have seen what the presumed deal will be if it comes to light. What is it—a dollar or something at the end? I cannot remember exactly. We are not immune to all that. Obviously there is NDA stuff, or non-disclosure, at this point in time. We will all hear at some point what is behind it all. What we are concerned about is keeping the jobs today.

Let me go back, because when we initially came over we had asked Theresa May to speak to Boeing, because it was Boeing that had the complaint. What we said at that time was not about putting work elsewhere. It was a bit like Trudeau: "How can we do business with a multinational that is costing jobs in this country?" They need to reflect that. Their initial complaint is about what they see as Bombardier in Canada, but the reality is it is the Belfast jobs that will lose out, because



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the final assembly plant in Canada on the C Series does not employ many people.

The final assembly plant is probably the smallest part of an aircraft, employment wise. We would have more people working on the wings than you will have on final assembly in Canada. That why I said at that time we would be the collateral damage. If we are supplying those to them, we have to be 18 months or 12 months ahead of the final assembly line. If they stop the line, we are left with wings that we cannot give to anybody, because there is no contract anymore. That puts the company out of business.

Q58 **Lady Hermon:** Before we bring this session to an end, I need to know what the strategy is to save the jobs in Bombardier Northern Ireland. If, as you have said, Susan, what the Prime Minister, Greg Clark and James Brokenshire are doing is not enough, what on earth is the strategy? You have had a lot of time to think about it. Your evidence has been really helpful to us, but deeply concerning, and I say that as well. What is the strategy to save the jobs in Bombardier Northern Ireland? What is the best strategy?

Jimmy Kelly: If you cannot undo the tariffs, you are into this mess that we are describing. We thought it might have been possible, if everybody got around the table, including Boeing, that you would reach a deal or agreement on a shared future, but this move puts a torpedo through our workforce. They have the tariffs in their back pocket, so everything we are doing is to strategise towards how do we undo those, because it is hard to live in the post-tariffs world.

Q59 **Lady Hermon:** Yes, and the timescale is very tight for that.

Jimmy Kelly: It is very worrying, isn't it?

Susan Fitzgerald: The difficulty is the absence of a strategy.

Q60 **Lady Hermon:** By the Government?

Susan Fitzgerald: I am not saying that people are not making efforts. It is the absence of a strategy to overcome the Department of Commerce and ultimately to overcome whatever comes out of the ITC. That is the difficulty for us. Our strategy is to mobilise our members, because Unite is the largest union in Britain and Ireland. We are now making this an issue for the entire union, for our members and their families. Being honest about it, our strategy is to apply pressure to whatever political factors we can have pressure on and to business. We are engaging at every conceivable level, but we need other people to have a strategy here where they have a plan and an approach to win. They need a plan A, a plan B and a plan C. Right now, we do not see a plan.

Q61 **Lady Hermon:** As a Committee, what could we do to help? What practical steps could we take?



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George Burnside: I know there is no power-sharing Government in Northern Ireland. As I have said, it would be helpful if somebody out of this Committee, the Defence Secretary, and Arlene and Michelle—or whoever it is—go to America themselves. At least it is being seen. It will be seen on the TV. It will look like the Northern Ireland Affairs Committee, the two main political parties in Northern Ireland and the Defence Secretary or the Department for International Trade are doing something. We are going over next week, but we are only a trade union, speaking to our fellow trade unionists and hopefully speaking to Senators et cetera there.

When we spoke to the commissioners in Brussels, they said that the best move is to go to Washington. The only way to put pressure on Boeing and the Trump Administration is by being in Washington and speaking. It will only be the Americans talking to the Americans that will change their minds. We were under the same understanding: if they do not lift the tariff, the Europeans could have the oranges out of Florida, say, but they said there is nothing they can do about it now. We are in a different space and everything else. They do not believe that the tariffs will be overturned in December. They believe that they will still be imposed.

Then it goes to the Commission on 18 February to make the final decision. They can only make two decisions: either remove the tariffs or uphold them. They cannot reduce the tariffs to say, "No, we will knock it down to 100%." They cannot do that. A high-powered delegation from Northern Ireland and the UK Government should be in Washington to speak to people.

Q62 **Lady Hermon:** It would be helpful of this Committee, if we were agreed in this Committee, to write to Arlene Foster, as the acting First Minister, and to Michelle O'Neill, as the acting Deputy First Minister. I have to say I am shocked that they have not already been to Washington, but it might be helpful if we were to write and suggest that they go as a matter of urgency. If they were to go together, that would send out such a powerful message. That is what we need. It is about jobs in Northern Ireland. It does not matter how they vote when there is an election. It is about saving jobs in Northern Ireland. They should be standing shoulder to shoulder to save those jobs. It is obvious.

Noel Gibson: The Government need to impress on Boeing and the American Administration that it is short-sightedness, because it is companies like Bombardier this time. It could be Airbus next week, or GKN, or RDR. If the aerospace business cannot use the American market, which is obviously one of the biggest markets in the world, they will go elsewhere. They will go to China. They will go to Russia. They will go to India. If they cannot go to that market, they will go somewhere else. Then we talk about intellectual property rights et cetera. That is where you have to give it away to get in.

They need to realise that there is a bigger picture in all this. It is not just about putting a C Series plane out of the market. We are talking about



bringing innovation, and we are putting a buyer in to bring in innovation on to the market for the American Administration. These are the spokespeople for the free market who are putting a buyer off the innovation. I cannot believe it at times.

Q63 Chair: Thank you. That is a very good place to conclude our deliberations today. Mr Kelly, is there anything you want to say in conclusion very briefly? If you think we have missed something in our session today, the offer is always open for you to write to us, so that we can include that as evidence in our report.

Jimmy Kelly: It is important, Chair, that we express genuine thanks to you and the Committee and the way you have conducted the hearings here. It has been very fair. You have allowed a full exchange and allowed us to put our full case. We would hope that in your report and conclusions you would be supportive of what we are saying, and that you would recognise that Boeing is raising an issue that does not have merit: they do not suffer a detriment; there is no breaking of legalities here; there is nothing out of order or out of line. We would hope that you would recognise that surely tariffs are the bluntest instrument of blunt instruments that should be introduced into this. We appreciate the way you have conducted business here, Chair. We would hope that you would come to conclusions in your report that would be supportive for us.

Chair: Thank you very much indeed. We very much look forward to visiting Belfast next week to continue our discussion on this subject. Hopefully our report, when it is published, will be a useful contribution to this. We stand ready to assist in any way we possibly can in ensuring that Bombardier continues to operate and prosper in Belfast. Thank you ever so much indeed for coming today. We very much appreciate it.