

**From:** [Redacted]

**Sent:** 15 December 2016 16:42

**To:** Minister for Business, Innovation and Energy; Cabinet Secretary for Economy, Jobs and Fair Work

**Cc:** [Redacted]

**Subject:** Official Sensitive - Doosan Babcock – Consultation over potential job losses – 270 jobs at risk in Scotland.

[Redacted]

For the benefit of the full copy list, I've included below a read out of yesterday's meeting between Mr Brown, Doosan and Unite the Union.

### Overview from Doosan

- Doosan gave an overview of current situation. [Redacted]
- Doosan explained that they are doing all they can to support the workforce to find alternative employment and were working in partnership with Unite and was committed to continuing that dialogue.
- Doosan took their responsibility to the workforce seriously and wanted to minimise the impact on individuals. They thanked SE/SG for all their support and the PACE team for the current offer of support.
- Doosan is keen to retain key skills within the business where possible. Several significant companies in Scotland had already approached Doosan to register their interest in taking on employees with key skills that may be available. Doosan agreed to share the list of companies that had approached them with SE over the next week once they had permission from the interested parties to do so.
- Doosan highlighted that they had extended the consultation period to 31 January due to the holiday period. They currently believed that they would be able to find alternative placements for all apprentices within the group or externally.
- They had a good internal support service in place through their HR team and are considering a jobs fair in late January due to the interest from other employers. Some individuals had already volunteered for redundancy.

### Overview from Unite

- Unite gave a quick overview of their take on the situation. They were disappointed that there had not been opportunity to be involved sooner in the process and before the announcement went public.
- They are keen to retain jobs at Doosan [Redacted] so are keen that as many people as possible could find alternative employment to retain the skills in the area and in the sector. The Trade Union representatives stressed the varied skills base of the employees and their flexibility and commitment. They welcomed the current interest in employees' skills and any support SE and PACE could bring to help facilitate further interest and support. Giving employees as much certainty as possible about the way forward was key.
- The Trade Union was keen to look innovatively at what could be done to retain people in the sector and highlighted the opportunity for approaches such as a labour loan scheme – so that there was a pool of skilled labour within companies that could be drawn on. Making use of the skills and knowledge of the employees was important. There may be opportunities in the energy from waste sector or parts of the renewable sector

- Trade Union representatives confirmed that they were content for PACE support to be progressed and that they would include their own support with support from PACE to provide a seamless offer for any affected employees.

### **Next steps**

- Mr Brown wanted to maintain dialogue and agreed to meet with the company and unions in mid January for an update on how the consultation was progressing.
- SG officials would explore any sector opportunities, highlighting large public sector infrastructure projects and opportunities in energy (including looking through energy consents) that may be of interest for the company of which they might not already be aware.
- Once Doosan, had supplied the names of the companies which had already approached them, SE would look to see whether there are other companies that may be looking for employees with similar skills and together with other agencies explore potential support that could be offered to support any retraining that was necessary
- Doosan agreed to provide SE with names of supply chain organisations that may be affected by the possible closure.
- Once employees impacted have been notified Doosan will provide SE and SDS with a skills breakdown matrix.
- SE suggested to Doosan that Mr Brown make contact with HQ to ascertain any pipeline opportunities that could be advanced to Renfrew and that could be supported by SE/SG. Doosan agreed to consider this recommendation but explained that they had already explored this route, although the offer of Ministerial support on this was welcomed and appreciated.
- SE would continue dialogue with Doosan around market opportunities, business efficiency , innovation and workforce innovation to help make the site as competitive as it can be.
- PACE would continue dialogue with Doosan and the Unite Learning Team, to provide a co-ordinated programme of support onsite for affected employees.

Regards

**[Redacted]**