

## **Report of NEC Meeting 22<sup>nd</sup> March 2006**

*This is not an official or comprehensive report, but picks out issues that may be of particular interest to members in Health.*

*This report is written under guidelines for all NEC members on collective responsibility. Like other NEC members, I am now allowed to outline my own position in debates or votes only if I am specifically asked about my personal position.*

*I welcome questions on my personal position from members. Please feel free to contact me by phone: 020 7502 6905 (home) or by e-mail: [gill@ghg.me.uk](mailto:gill@ghg.me.uk)*

### **Finance**

The outline budget previously agreed for 2006 had been anticipated to deliver a small surplus by year-end. In January and in February, subscription income was significantly less than expected. The reasons for this were unclear. Finance and Membership teams would be looking closely at what was happening behind the figures, as this was a situation that needed to be closely monitored by the NEC and Senior Management Team.

The General Secretary outlined that there might need to be further reductions in staff numbers, especially as the officers and staff who had taken voluntary redundancy were on less than the average wage in the union. If Senior Officers or National Officers were given voluntary redundancy, the expectation would be that gaps would be covered through redeployment and officers taking on multiple briefs where necessary, rather than through employing new staff.

### **Pensions**

Deputy General Secretary Ed Sweeney outlined proposals on staff pension schemes that had previously been agreed by the GPFC. A process of union mergers had left multiple schemes, including five big schemes. A significant 'black hole' existed in the pension schemes. The proposal was to harmonise the schemes to retain a final salary pension scheme, but with a reduced accrual rate, an increase in the contribution rate to 8% and a standard retirement age of 65. The maintenance of a final salary scheme required a substantial investment by the union, amounting to over 27% of the salary bill. One NEC member asked several questions seeking further information, saying that they felt uncomfortable endorsing a position that had not been agreed with staff. Another asked if changes negotiated with staff would be put to the NEC, and requested further information on people approaching retirement age. An NEC member fully supported the proposal but sought assurances that it was sustainable. An NEC member sought assurances that existing benefits would be frozen. An NEC member supported the proposal, feeling this was a revolutionary scheme. Another NEC member expressed concern about being asked to endorse the proposal with no actuarial reports and no detailed financial information. The General Secretary reported that there had already been a great deal of negotiation with staff. Pension schemes deficits now had to be recorded as a liability in the balance sheet. He believed that the proposal should be sustainable, although there could never be 100% guarantees. The NEC employed a management team and didn't need to know the detail. The proposal was overwhelmingly endorsed with a very small number of NEC members either voting against or abstaining.

### **CMA**

The long running dispute between the CMA and Amicus appears to be concluded. Although there is a cost to the Union, there are long term benefits in settling the dispute and in the CMA becoming a sector of Amicus. The CMA retains CMA House, its 'Reserved Fund', and its own political fund. The CMA becomes a sector of Amicus with some structural variations agreed by the NEC. The NEC unanimously endorsed the GPFC recommendation to approve the settlement.

## **National Sector Committees and TUC Delegation**

The NEC agreed that the size of these will **not** be reduced.

## **Services Directive**

The General Secretary reported on these damaging proposals, that would potentially have allowed the employment of workers from abroad on the wages or health and safety legislation of their country of origin, bypassing the UK minimum wage and health and safety legislation. This could certainly affect the NHS workforce. Campaigning has been successful, with trade union backed amendments accepted by the European Parliament. Concerns remain that the British Government could reinstate some of the damaging clauses.

## **Regional Sector Conferences**

The General Secretary noted a case where a member had been unable to stand for election from one of these conferences because they had been taken ill shortly before the meeting and had been unable to send apologies. This was unfortunate but it was not possible to re-run conferences. The rule of thumb was that members should attend the conferences to be eligible for election, or if they had a bona fide reason for not doing so, should send an apology to the Regional Secretary in advance. An NEC member noted problems where reps had not been notified of conferences, and were therefore excluded from taking a more active part in the union for 2 years. The General Secretary agreed that this had been a problem, particularly for Unifi reps. It would be overcome as the new accreditation system was developed.

## **New Membership System**

NEC members were given a 'conceptual demonstration' of what the new membership system might look like. This is intended to be a flexible web-based system that will allow secure access at different levels, and that will make the production of ad hoc reports much easier.

## **Merger**

A discussion was had on the proposed merger with the TGWU and the GMB. The General Secretary cautioned NEC members not to report the detail of the debate. The NEC agreed a form of words as a record of the debate.

## **Legal Report**

In 2005, Amicus won nearly £70 million compensation for its members in personal injury and employment tribunal cases. An emerging problem is that solicitors effectively take on employment tribunal cases 'free' as part of a package of more lucrative personal injury cases. There has been a suspicion that in a few cases solicitors may have given poor advice to members because of this arrangement. Officers and reps should ensure that any problems are fed back to the Legal Department in order to monitor the service offered to members.

A new pack is being prepared on age discrimination legislation.

## **Dismissals**

Following a question, the General Secretary confirmed that three staff members had been dismissed. An NEC member expressed concern, asking if consideration had been given to the bad publicity for the union if the case went to tribunal, and if we had sought a legal opinion on the chance of the individuals winning at tribunal. Another NEC member said that we should not be discussing this as it was not concluded. A third argued that the NEC should not be discussing staffing issues and moved next business.

## **Political report**

The NEC agreed donations of £15,000 to Searchlight and £2000 to Unite Against Fascism. A number of issues of relevance to our members have been raised with Amicus MPs, including the defence of council housing, corporate manslaughter and the NHS. An NEC member praised the very good work done by the Union on Health, and stressed the importance of

keeping this as a high profile issue given the current level of cuts and redundancies affecting the NHS and health workers.

### **International Report**

This covered a number of issues, including the Services Directive (and the Amicus participation in the European demonstration on this), the General Secretary's visit to Australia (where trade unions are facing serious government attacks), the European trade union solidarity conference with Cuba and Latin America, and honorary Amicus membership for Zimbabwean trade union activist Thabitha Khumalo.

An NEC member commented that there was no report of the Amicus position at the War on Want Conference, where the Amicus delegation had walked out to leave the meeting inquorate and to prevent a vote being taken on a proposed boycott of Coca Cola (implicated in serious human rights abuses in Colombia). The issues were complex, as the main Colombian union organising Coca Cola workers supported the boycott, but the international union federation representing Coca Cola workers did not. War on Want's support for the boycott was based on meetings and discussions with Colombian trade unionists. The NEC should discuss this more fully at its next meeting. This was felt to be an incorrect analysis by the Amicus solicitor Georgina Hirsch. The War on Want motion had not been checked with trade unions in Colombia; there was no support for a boycott and this would be a threat to the jobs of our own members in Coca Cola. It had been an excellent tactical move for the Amicus delegation to leave the conference. The NEC endorsed this position.

### **Amicus.cc**

The General Secretary reported that the Amicus member running this website had sent mailings to members who had registered for the new E-activist bulletin. He should not be using these email addresses and was bringing the union into disrepute. He proposed setting up a disciplinary panel to investigate this. This was endorsed by the NEC, with a very small number of NEC members recording their votes against.

### **Correspondence**

A branch secretary had written to the NEC criticising the record of the Labour Government, particularly on manufacturing and pensions. The General Secretary reported that the member had also raised concerns about correspondence not being placed before the NEC. The General Secretary had replied to the letter.

Seven further items of correspondence were placed before the NEC. The NEC agreed to affiliate to the Campaign for Press and Broadcasting Freedom. A motion calling for the withdrawal of troops from Iraq was noted. A motion calling for a campaign against any increase in the state pension age, including a national campaign and demonstration, and for support to any group of workers taking action in defence of pension rights was noted, and the NEC agreed to continue the current campaign in support of members. A proposal to select delegates for bi-annual conference in line with Regional Assembly areas was considered a rule change and was not agreed. A proposal to increase branch honoraria was not agreed. Proposals from the LGBT National Committee (for the National Conference to be on a Saturday, for funding for Pride, to invite TU General Secretaries to EuroPride, suggesting nominations for TUC LGBT positions, and asking for an additional meeting of the LGBT Committee to discuss the merger) were referred to the GPFC.

**Gill George**  
**2<sup>nd</sup> April 2006**