

Notes of Ministerial Meeting

Tuesday 12 June 2019 10:45 -11:30am
Scottish Parliament

Fergusons Shipyard

Attendees

Derek Mackay
Stewart Maxwell

Cabinet Secretary Finance, Economy and Fair Work
SG Special Adviser
Ferries Unit, Transport Scotland
Private Secretary

Gerry Marshall

CEO, Ferguson Marine Engineering Limited (FMEL)
Finance Director, FMEL
Shop steward, Ferguson workforce
Shop steward, Ferguson workforce

Summary

- Mr Mackay welcomed the attendees and reiterated the commitment to the three key aims for government – delivery of vessels, securing of jobs and long term future for shipbuilding at the yard.
- ██████ thanked Mr Mackay for hosting a joint meeting with the management highlighting that the management and the workforce have a close relationship.
- ██████ highlighted that it is currently an uncomfortable situation and holding back recruitment of new staff.
- Gerry M highlighted the current situation preventing the company winning new work as they could not secure the necessary bonds associated with new vessels.
- When questioned by Mr Mackay he suggested they do not intend to renew the Bonds for 801/802.
- Mr Mackay highlighted that he remains committed to supporting the workforce but must find a legal, affordable option to do so.
- Gerry M acknowledged the challenging relationship between CMAL and FMEL and suggested a meeting could be arranged with all parties.
- When asked by Mr Mackay Gerry M said he was not sure what the solution was.
- Mr Mackay highlighted that the independent view would report at the end of this week and this would need to be reviewed by Ministers and officials
- Gerry M stated that a pipeline approach for vessel replacement and full life servicing could sustain the business.
- Mr Mackay highlighted that any new ferries would have to go through an open procurement process so there was no guarantee for FMEL.

- Gerry M highlighted that the UK government were giving more support through the Clean Maritime Council suggesting they would ban LNG and promote Hydrogen.
- Mr Mackay stated that SG has provided substantial support to FMEL through the contract and disagreed with the statement.
- Mr Mackay restated he would do everything he could legally to achieve the three stated priorities.
- The unions thanked Mr Mackay and were comforted by his commitment

The meeting ended at 11:30am