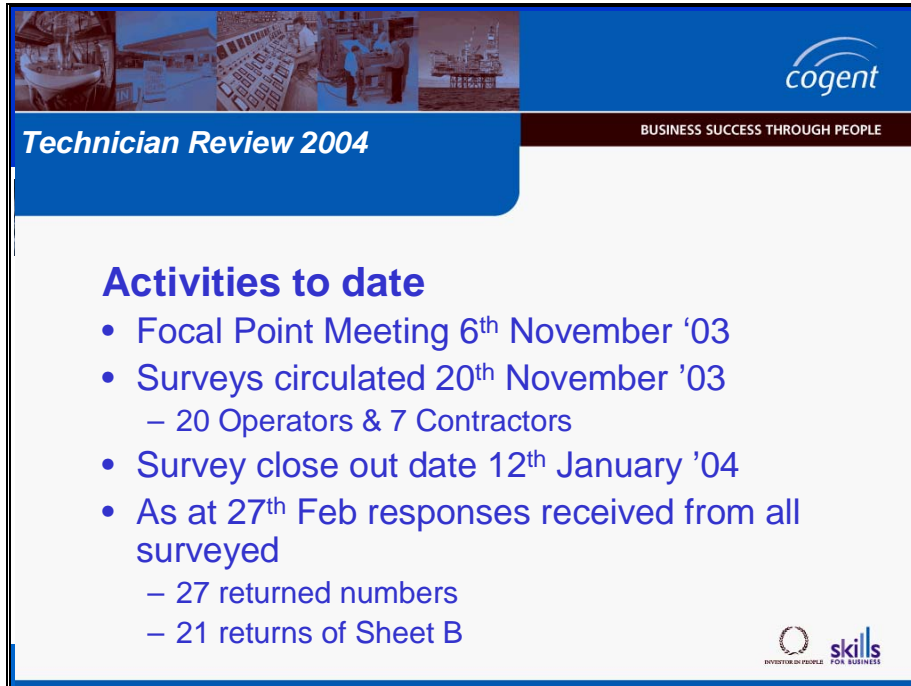


Presentation of Findings of 2004 Technician Review Survey

Slide 1



The slide features a header with a collage of images on the left and the 'cogent' logo on the right. Below the images is the text 'Technician Review 2004'. To the right of this, in a dark blue bar, is the slogan 'BUSINESS SUCCESS THROUGH PEOPLE'. The main content area is white with blue text. At the bottom right, there is a logo for 'skills' with the tagline 'INVESTOR IN PEOPLE FOR BUSINESS'.

Technician Review 2004

BUSINESS SUCCESS THROUGH PEOPLE

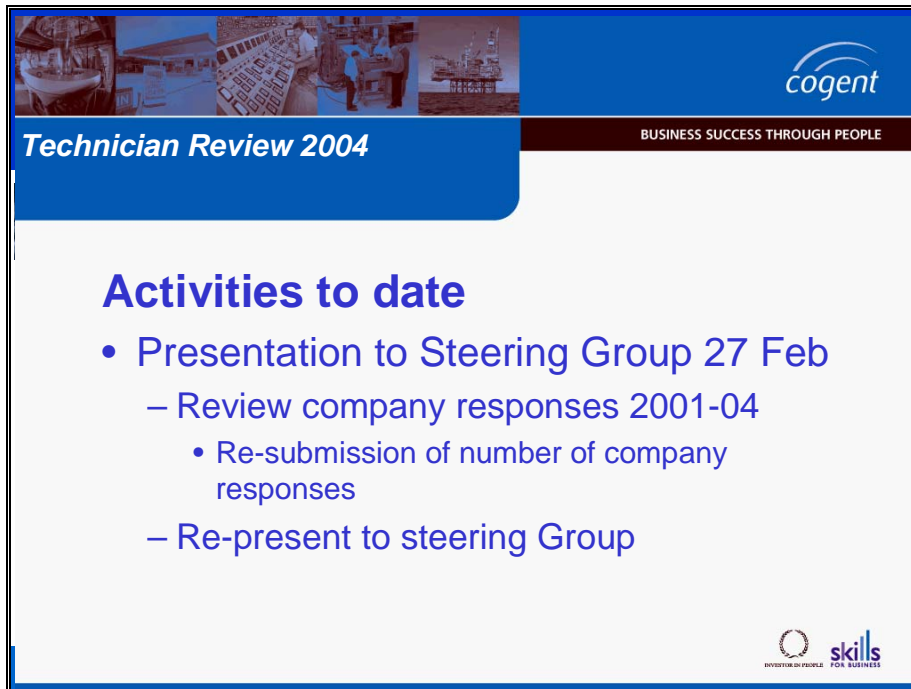
Activities to date

- Focal Point Meeting 6th November '03
- Surveys circulated 20th November '03
 - 20 Operators & 7 Contractors
- Survey close out date 12th January '04
- As at 27th Feb responses received from all surveyed
 - 27 returned numbers
 - 21 returns of Sheet B

skills
INVESTOR IN PEOPLE FOR BUSINESS

Two survey forms are circulated to employers.

- Data Sheet A collects numbers and age profile of workforce.
- Data Sheet B collects information on attrition rates and anticipated demand.



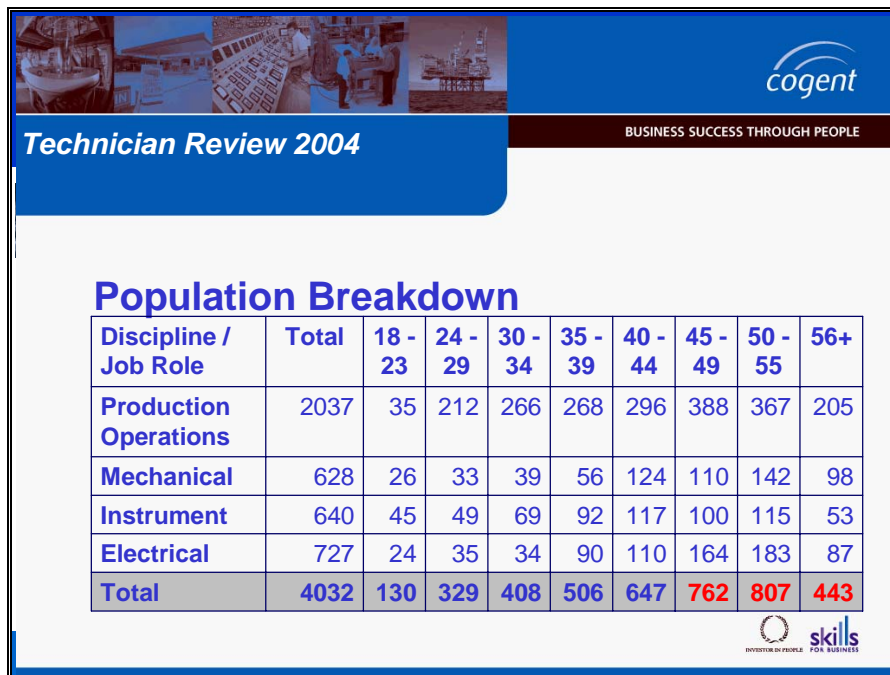
Technician Review 2004

Activities to date

- Presentation to Steering Group 27 Feb
 - Review company responses 2001-04
 - Re-submission of number of company responses
 - Re-present to steering Group

The first presentation to the Industry Technician Review Steering Group resulted in a review of input from companies and revisiting data submitted. Some company responses were revised as a result.

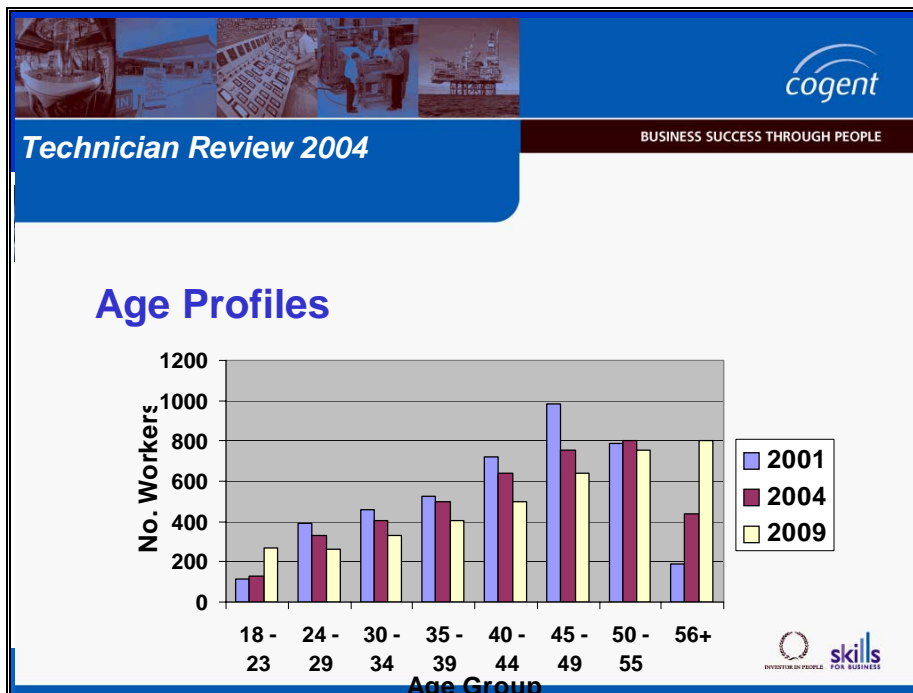
The survey findings were updated and represented to the Industry Steering Group.



This slide illustrates the 2004 overall population age profile by Occupation:

- 2004 total population is 4032 – offshore and onshore (3486 + 546)
- 2003 total population was 4102 (revised) – offshore and onshore
- 2002 was 4052 – offshore only
- 2001 was 4172 – offshore and onshore technicians

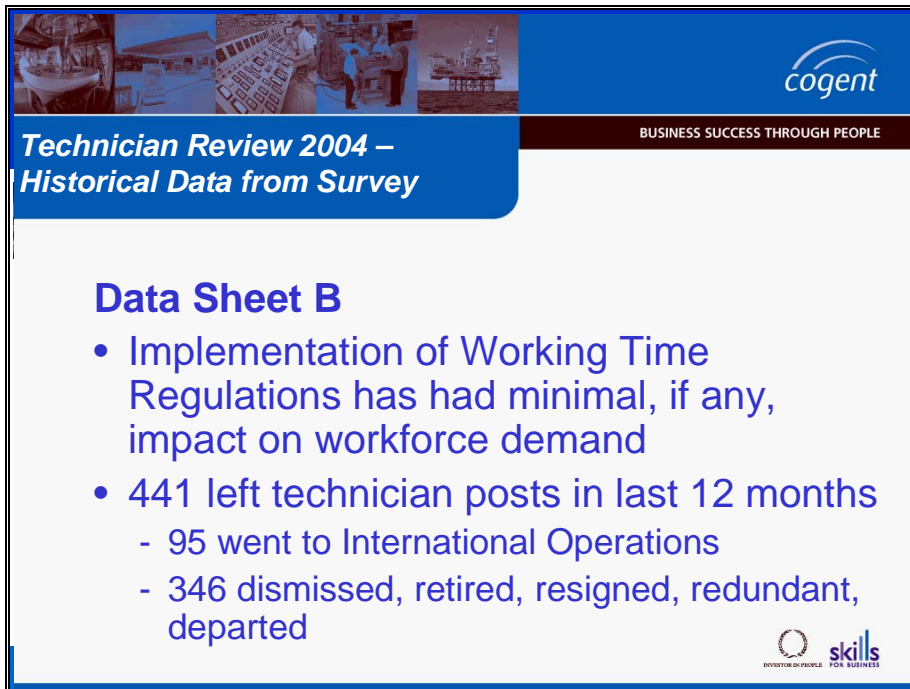
In 2003 it was reported that 48% of Technicians were employed by Contractors, in 2004 this figure is now just under 51% (2047 contractors & 1985 operators). The indications are, through responses to Data Sheet B, that the proportion employed by contractors is likely to rise



In 2003 it was reported that the 56+ age group had nearly doubled in size since 2001. The population has now more than doubled increasing 233% from 190 in 2001, to 443 in 2004.

Given steady employment demand, the 56+ population will be doubled again by 2008/9 and will make up approximately 1 fifth of the workforce.

Also of note from the 2009 projections are the technicians currently under training coming through the system showing in the 18-23 and 24-29 age brackets.



The slide features a blue header with the 'cogent' logo and the tagline 'BUSINESS SUCCESS THROUGH PEOPLE'. Below the header, the title 'Technician Review 2004 – Historical Data from Survey' is displayed in white text on a blue background. The main content area is white with blue text. The title 'Data Sheet B' is in bold. The bullet points are in blue. The 'skills' logo is in the bottom right corner.

**Technician Review 2004 –
Historical Data from Survey**

Data Sheet B

- Implementation of Working Time Regulations has had minimal, if any, impact on workforce demand
- 441 left technician posts in last 12 months
 - 95 went to International Operations
 - 346 dismissed, retired, resigned, redundant, departed

skills
UNIVERSITY OF PEOPLE FOR BUSINESS

We asked Operators and Contractors to complete a copy of Data Sheet B which asks questions regarding changes in workforce numbers in the last 12 months:

- Impact of Working Time Regulation implementation?
- Number of leavers to International Operations in last 12 months?
- Number of leavers to Other Domestic Operations (eg contractors), Promotion, and leavers

One tenth of the workforce has left their jobs in the UKCS in the last 12 months:

- The estimate made in the 2002 survey of a 2% per annum attrition to International Operations has been confirmed by the numbers returned in the 2004 survey.
- Some of the retired, resigned and redundant workers may have gone to employment with other employers in the UKCS and will be retained within the overall population



The slide features a header with a collage of industrial images on the left and the 'cogent' logo on the right. Below the images is a blue banner with the text 'Technician Review 2004 – Demand Data Findings'. To the right of this banner is a dark blue bar with the text 'BUSINESS SUCCESS THROUGH PEOPLE'. The main content area is white with blue text. It includes two sections: 'Data Sheet B – from Operators' with a bulleted list of demand forecasts, and 'Data Sheet B – from Operators & Contractors' with a sub-section for 'Specific discipline requirements cited:' followed by a list of requirements. The 'skills' logo is in the bottom right corner.

Technician Review 2004 – Demand Data Findings

Data Sheet B – from Operators

- 3 foresee decreased demand
- 1 foresees increased demand - international operations
- 8 foresee stable demand

Data Sheet B – from Operators & Contractors

Specific discipline requirements cited:

- No requirements indicated by 5 companies
- Contractors – Mechanical Techs
- Operators – Instrument & Electrical Techs

Operators were also asked an additional question on Data Sheet B about their anticipated demand for Production Technicians over the next 5 years. They were asked to consider:

- Planned Company Activities,
- Changing Working Practices, and
- New Technology

and how these would impact upon overall demand for Production Technician Workforce.

The final question asked of both Operators & Contractors was where they anticipated a demand for trainee technicians which specific discipline(s) of technician was required.

The slide features a blue header with the 'cogent' logo and the tagline 'BUSINESS SUCCESS THROUGH PEOPLE'. The main title is 'Technician Review 2004 – Supply Data Findings'. Below the title, it lists three factors impacting supply: Retirements, Transfers out of UKCS, and Numbers completing training. A table follows, showing the impact from 2004 to 2009. The table shows a cumulative shortfall of -578 by 2009. The 'skills' logo is in the bottom right corner.

Technician Review 2004 – Supply Data Findings

The following impact upon supply

- Retirements
- Transfers out of UKCS
- Numbers completing training


	2004	2005	2006	2007	2008	2009
Retirements	-73	-73	-73	-73	-73	-73
Transfers	-95	-95	-95	-95	-95	-95
Completing Training	91	85	130	124	0	0
Cumulative Shortfall	-77	-160	-198	-242	-410	-578

The format for examining supply of technicians in previous technician reviews is applied to 2004 data. **NOTE:** This table assumes steady demand.

Retirements: in line with the industry agreement 2002 we are working with the average retirement 62. Following the same method as previous reviews a straight line attrition of those aged 56+ taken over the next 6 years indicates 73 retirements per annum.

Transfers: a review with operator focal points in 2002 to gain an attrition rate of workforce moving outwith the UKCS indicated figure of 10% over 5 years. Applied to the 2003 population this gave a transfer out of UKCS operations figure of 92 staff per annum. This estimate has been borne out by the responses to the 2004 survey which shows 95 leavers to international operations in the last 12 months.

Completing Training: figures for technicians completing training have been taken from known industry commitment to technician training through the Industry and Company specific schemes.




Technician Review 2004 – supplementary


BUSINESS SUCCESS THROUGH PEOPLE

Onshore Findings

Discipline / Job Role	Total	18 - 23	24 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 55	56+
Production Operations	314	3	22	44	49	55	58	48	35
Mechanical	78	3	5	5	6	19	14	16	10
Instrument	80	6	10	16	13	14	4	16	1
Electrical	74	1	4	5	13	11	11	19	10
Total	546	13	41	70	81	99	87	99	56



This illustrates the age profile of the Onshore population by occupation




Technician Review 2004 – supplementary

BUSINESS SUCCESS THROUGH PEOPLE

Offshore Findings

Discipline / Job Role	Total	18 - 23	24 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 55	56+
Production Operations	1723	32	190	222	219	241	330	319	170
Mechanical	550	23	28	34	50	105	96	126	88
Instrument	560	39	39	53	79	103	96	99	52
Electrical	653	23	31	29	77	99	153	164	77
Total	3486	117	288	338	425	548	675	708	387



This illustrates the age profile of the Offshore population by occupation