



amicus
the union
in the Financial Services Sector
Issue 22 – 4th November 2004

Gender pay gap

The Annual Survey of Hours and Earnings (ASHE) has found that the gender earnings gap is 18.4% for 2004.

Amicus General Secretary Derek Simpson said; *“The pay gap between men and women is too wide. Women still face discrimination in the workplace. Progress will only be made once the burden of proof is removed from the shoulders of women and employers are made to take responsibility for demonstrating that they do not discriminate”*.

Amicus continues to call for the introduction of compulsory pay audits for companies as recommended by the Equal Opportunities Commission. Pay audits would elicit discrimination in pay as well as deliver transparency.

Sector accused of discrimination

A survey of 2500 employees in the financial services sector has found that the industry discriminates against women and is failing to deliver on family-friendly employment practices.

The research was conducted by Robert Half Finance & Accounting and Accountancy Age magazine. They found that a third of employees did not believe their workplace was family-friendly. In addition more than a third believed the finance profession discriminated against working mothers, with 41 per cent supporting the Government's proposed increase in paid maternity leave to a year.

NEW - Amicus Reps Zone

Amicus has launched a ‘Reps Zone’ on it’s website. This resource for reps is an area for practical advice and information on a range of issues including recruitment and campaigns.

Visit: www.amicustheunion.org/main.asp?page=869

HSE issues guide to manage stress

The Financial Times has reported that financial services companies are to be targeted by the Health & Safety Executive to ensure that they are meeting their statutory responsibilities on employees' stress amid signs that large numbers of businesses are failing to follow the rules.

The HSE, which launched (3.10.04) guidance for employers on managing stress to coincide with National Stress Awareness Day. Stress is estimated to cost the UK economy up to £7bn and as many as 13m lost working days each year, according to estimates from the HSE and the Trades Union Congress.

This guidance 'Management Standards for Work-related Stress' provide a clear, step-by-step guide to fulfilling legal obligations placed on all employers to perform a risk assessment. This can be downloaded from their website: www.hse.gov.uk

The TUC has welcomed the HSE measures to tackle stress. TUC General Secretary Brendan Barber said: "*At a time when many employees' stress levels are rising, most employers are doing very little to combat the UK's growing stress epidemic. With TUC figures showing that three in five workers now complain of stress at work, the new HSE management standards should encourage employers to take their staff welfare responsibilities more seriously*".

For information on Health and Safety visit:
<http://www.amicustheunion.org/main.asp?page=38>

Pauline Ortiz memorial fund

UNIFI have set up the Pauline Ortiz Memorial Fund. The fund works with Keele University and University of East London, to encourage and promote learning amongst adults who are traditionally denied access to higher education. The purpose is to support individuals.

During the first year of the project have been used for:

- The support of doctoral students at Keele who otherwise would not be able to continue their studies.
- The sponsorship of three open access day schools on Globalisation at University of East London docklands campus.

For further information visit: www.unifi.org.uk/unilearn/paulineortiztrust/index.htm

Barclays sees 15-20% Asian growth

Barclays Capital, the investment banking arm of the UK financial group, expects its Asian business to expand by at least 15-20 per cent annually in coming years, extending a growth spurt recorded since the late 1990s.

The rapid expansion in both investment and profitability comes on the back of growth in the group's global business. Since its creation in 1997, Barclays Capital has carved a niche in debt financing and risk management. Barclays Global Investors, the asset management arm, has US\$1,200bn worth of assets under management, including US\$130bn in Asia.

Employers 'should provide nap areas for staff'

Demos, an independent think-tank, has reported that being asleep on the job should be applauded rather than punished. Their research 'Dream On: Sleep in the 24/7 Society'

found that too many managers are performing badly and are abusive to their staff because the culture of long working hours has eroded sleeping time.

They argue that employers should instead provide nap areas at work, and allow those who work long hours to have extra time off to stay in bed.

www.demos.co.uk

Friends Provident buys Lombard

The insurer Friends Provident has bought Lombard International, a high net worth wealth manager, for an initial sum of £183m. This deal will increase the group's non-UK earnings to about 30 per cent of business, and will provide a foothold for expansion in the EU.

MPs criticise banks for lack of transparency in credit card costs

MPs on the Treasury Select Committee attacked the bosses of RBS, Barclays, HSBC and the US credit card giant MBNA yesterday for making it hard for consumers to compare credit cards. The Labour member Nigel Beard said: *"The APR should reflect the cost but it doesn't. The actual cost is hidden in obscurity. No one understands it."*

According to the consumer group *Which?* banks use nine different methods of calculating interest on cards. Charges vary widely even when cards carry the same annual percentage rate (APR) because of introductory offers, differing interest-free periods and other terms.

Sir Fred Goodwin, the chief executive of RBS, said steps had been taken to address the lack of transparency. *"There is agreement here that customers could do with understanding this better."*

However, MPs praised the banks for the progress they had made in providing customers with clearer information. The lenders now publish "summary boxes" setting out terms and conditions in their marketing literature, but the committee called for them to be included in customers' monthly statements.

Prudential calls for £1bn from investors

The Prudential last week announced plans for a £1bn cash call. The announcement resulted in an 8% fall in its share price. Chief Executive Jonathan Bloomer said the £1bn rights issue was needed to fund a new growth plan for the UK and expand in India and bolster its capital which would otherwise breach regulatory hurdles.

The majority of the Pru's £1bn will be invested in a three-year expansion project in the UK. The company announced a change to its strategy ahead of forthcoming regulatory changes to the way products are sold and the government's move to lift the price cap on stakeholder products to 1.5% from 1%. The Prudential pledged to make a 14% return on capital in the UK, from around 10% now, by 2007 - although some investors calculated it was already achieving better returns from Asia.

Standard Chartered is to acquire the London-based project finance business of Australia & New Zealand Banking Group.

Enterprise Ulster is to shed 50 jobs across Northern Ireland, following a £1m cut in grant aid from the Department of Employment & Learning.

Egg is to sell the unsecured loan book of its French operations to Banque Accord for up to £96m, with the transfer of about 100 staff.

Egg is planning to sell its UK-based individual savings account and share trading operations to Fidelity Investments for undisclosed terms.

elf Group has raised £2.5m in a share placing to fund the acquisition of healthcare and insurance intermediaries.

Hargreaves Lansdown, the financial services group, is seeking a larger site in the Bristol area in preparation for the planned doubling of its 400-strong workforce by 2008.

Hermes is to acquire Wescot Credit Services, the debt collection agency, for about GBP 110m.

Experian expects to create about 100 new jobs at its Nottingham-based financial information business over the next 12 months, and may decide to expand its Landmark House building.

Bradford & Bingley has sold its estate agency chain to Countrywide for GBP 44m.

This bulletin has been produced by **Saba Mozakka**, Finance Sector Research Officer.

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