



UNITE LAUNCHES THE SOCIAL CONTRACT FOR FINANCE INDUSTRY

Unite activists in Lloyds TSB and HBOS took part in the launch of the union's social contract in response to the credit crunch at the Houses of Parliament on Tuesday October 28. The meeting, held in committee room 14, was addressed by a number of MPs, leaders of Unite and by Yvette Cooper (Minister of State to the Treasury). The minister told the meeting, "If the government has got to step in to help banks, banks must do their bit to be fair supporting jobs and the economy". She added that she looked forward to working with our representatives to take this forward.

For details of the Unite social contract, go to www.unitetheunion.com/socialcontract

Over the past few weeks, Unite's activity at Government level and Company level has been intense as we continue to press for more information on the proposed takeover of HBOS.

Unite has welcomed the Government's rescue package for the banks and is demanding that this financial support is conditional on a number of factors including:

- No compulsory redundancies
- No offshoring of jobs
- Protection of terms and conditions including pensions
- Positive industrial relations in the new company
- End of Executive short-term incentives that have long term impact
- Tighter regulation.

Unite's Joint General Secretary, Deputy General Secretary and National Officer for Finance have met with Lloyds TSB and HBOS to discuss these issues and have presented Unite's agenda for the future. They also made clear members' fears and stated that Unite will not and cannot support this takeover unless the new Company can guarantee:

- No compulsory redundancies
- No offshoring of jobs.

In addition, arrangements are being made for Unite activists and members to meet their local MPs and MSPs to discuss their concerns.

NOT YET A MEMBER?

If you are not already a member, it is time to join and take advantage of our unbeatable service and unbeatable subscription rates.

Join on line by going to www.amicustheunion.org/Join-on-Line-Here, speak to a Unite workplace representative or call our helpline on 08081 449595.

GET CONNECTED

Please sign up and encourage your colleagues to get connected to the union by signing up to our email updates.

Visit the membership area of our website www.unitetheunion.com/membership and "change my details" to enter your email address.

Please pass this email on to your colleagues - it is important that all voices are heard in this takeover.

The social contract in action

We have also tabled our social contract in action in Lloyds TSB as part of the formal consultation on the proposed takeover. It enacts the principles in the sectoral social contract within a Lloyds TSB context. It demands...

1) Job security for our members

- No compulsory redundancies
- Voluntary redundancies on the best terms
- Meaningful and early consultation with Unite on all job losses and joint monitoring of all individuals throughout redeployment
- Consultation with Unite on local and social impact of centre and branch closures
- Retraining for those made redundant (training bond £2k in ltsb re off-shoring)
- Careers for those remaining
- Freeze off-shoring and review off-shored jobs in light of job cuts in the UK/EU.

2) Recognition of Unite the union – now and in the new bank

- Positive industrial relations (on the lines of the HBOS model) in the new bank
- Unions working in partnership
- Union representation at all levels
- Sufficient facilities for Unite during the transition
- Full disclosure of information, meaningful consultation and negotiation during and after transition at national and European level
- Recognition of our sister unions in off-shored operations.

3) Unite finance sector pay policy - to protect staff, customers and the economy

- End rewards for short-termism at the most senior levels
- End massive bonus culture and schemes which pay enormous bonus multiples to the higher grades and tiny amounts to the lower grades
- End market and performance pay
- End to individual targets, especially those which are about selling debt
- Fair, transparent and equal pay
- Across-the-board pay rises
- Zero tolerance to zero pay
- Minimum living wage of £14,000
- Maintain final salary pension schemes with HBOS-type funding "covenant" and guarantee of no cuts in future accrual
- Negotiation with Unite for harmonisation up of terms and conditions in new bank.

4) Beyond the bank

- Company law to be revised to recognise employees as stakeholders
- Recognition of Unite as a key stakeholder in the sector
- Tighter regulation – reform of FSA
 - examine systemic failure that presided over decline of Northern Rock
 - ask why FSA allowed practices which led to current crisis
 - overhaul use of precarious "derivative" products
 - introduce trade union representation on board of regulator
- Oblige companies to act with true corporate social responsibility in terms of their community impact at local, national and international level
- Legislate to reduce access to tax havens and tax avoidance by individuals and companies
- Protect the consumer against repossession and other forms of hardship caused by the crisis.

YOUR UNION

You will see from this social contract that we have put to the bank that it is Unite which is speaking for you and defending your interests to LTSB.

We are your voice on the proposed takeover of HBOS, to the bank, government and in the public arena. You can keep yourself informed on the union's response and activities on this issue by going to our website page at www.unitetheunion.com/lloydstsb where we will post regular updates.

Not surprisingly many non members have decided to join Unite since the takeover was announced.

We give below some of the reasons why they have made this choice.

- Unite is the only union recognised in both LTSB and HBOS.
- Unite is the union that will represent all members impacted in this takeover.
- Unite is the only union recognised in all business areas of LTSB.
- Unite has extensive experience in mergers and takeovers.
- Unite was heavily involved in the merger of Lloyds and TSB.
- Unite was heavily involved in the merger of Bank of Scotland and Halifax.
- Unite has a network of 150 MPs and broad political and media influence.

Please keep feeding your questions on the takeover into us.

If members wish to discuss or comment on any of the above, please email ltsb@unitetheunion.com

