

briefingpages

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■ PENSIONS

PENSIONS BILL (2004) AMICUS SUMMARY AND COMMENT

The Bill includes a range of measures intended to strengthen member protection and carry forward the Government's agenda of simplifying and promoting pension provision. A key element is the new Pension Protection Fund. This paper summarises the provisions of the Bill and comments critically on them.

In the view of Amicus the Bill is more notable for what it lacks than for what it contains e.g. there is no requirement for compulsory pension contributions, no provision to compensate employees who have already lost out and no obligation on employers to consult with employees before making changes in their pension schemes.

PENSIONS REGULATOR

The Bill will establish a new Pensions Regulator for occupational pension schemes which will absorb the powers of OPRA but will have new powers and a more pro-active approach.

Its objectives are defined as being to protect members' benefits, to reduce the risks of schemes claiming compensation from the Pension Protection Fund (PPF – see *below*) and to promote good practice.

It will have the power to command information from all schemes and to issue Improvement Notices in order to improve scheme management and reduce risks to members' benefits.

The Regulator will be charged to issue Codes of Practice in a number of areas e.g. trustee knowledge and training, implementation of the Member-Nominated Trustees requirements, whistle blowing, reporting material breaches of the requirement on employers to pay contributions on time and the definition of a 'reasonable period' in respect of various legal obligations imposed by legislation. Such Codes will not be legally binding but in any legal action failure to comply would count against trustees/employers.

In relation to scheme funding the Regulator will have a particular role in resolving differences between trustees and employers where they cannot agree on aspects of funding (see *Scheme Funding below*), including imposing decisions.

Amicus comment

We would generally support the role of a stronger Regulator but would have reservation about some of the Codes of Practice insofar as they are associated with reduced legal obligations – notably in the area of Member-Nominated Trustees (see *below*).

Given the powers and functions of the Regulator we believe the Bill ought to provide clearly for member representation on its Board.

PENSION PROTECTION FUND

The Bill will establish a Pension Protection Fund (the PPF), which will provide compensation for members of schemes wound up in deficit after an employer insolvency. It also takes over the existing fraud compensation scheme. The PPF will not have any retrospective effect in compensating scheme members who have already lost out.

The Fund will be financed primarily out of the assets of schemes it takes over and a levy on the defined benefit pension schemes, whose members it potentially provides protection to. There is provision for Government grants but these are restricted only to assisting with administrative expenses. The PPF can borrow but only to cover short-term cash flow problems.

The compensation the PPF will provide is limited initially and potentially can be varied during its operation – the compensation level at any time being termed the ‘protected liabilities’. The objective is to protect the core of the benefits.

Schemes will qualify to be taken over by the PPF if their assets are insufficient to buy-out benefits equivalent to the protected liabilities.

COMPENSATION LEVELS – PROTECTED LIABILITIES

Compensation for pensioners is defined as 100% of the benefit in payment at the time of the wind-up. However, these pensions will only be increased subsequently in respect of any part of the benefits earned after April 1997, and then only by the lower of inflation or 2.5% p.a. Spouse benefits will be limited to 50%.

Compensation for non-pensioners on their retirement is defined as 90% of the deferred pension, which is increased during the period of deferment by the lower of inflation, or 5%.

Pensioners, in this context, are defined as people over the scheme’s normal retirement age or over the age at which they can retire by right without an actuarial reduction.

Both the 90%/100% compensation levels and the levels of increases may be modified in the course of the PPF’s operations if funds are lacking.

THE LEVY

The PPF Levy will have four components i.e. the risk-based levy, a levy based on scheme factors, a levy to cover administrative costs and the fraud levy. Of these components the first two will be expected to account for the great majority of the revenue. The total levy is subject to a Levy Ceiling ultimately determined by the Treasury. The Government commentary on the Bill states the objectives of keeping the levy at a steady level and a very low % of contributions, but no figures of the prospective size of the levy are given.

Risk-based Levy – this will not be applied in the first year but subsequently must account for at least 50% of the total levy. It aims to ensure that the schemes assessed as being most likely to require PPF intervention will pay a higher levy and, because of this, to encourage employers/schemes to modify their funding/investment policy to reduce risks. Factors to be taken account of in determining the risk-based levy will be the level of under-funding in the scheme, its investment policy, and the credit-worthiness of the employer.

Scheme-Factors Levy – this will be calculated by reference to factors such as the number of members, the level of pensionable earnings, the balance of actives/retired members and the size of the scheme’s liabilities.

In the first year, with no risk-based levy in operation, only a half-levy will be collected.

The Board of the PPF is required to appoint at least two investment managers. It is charged to pay out the compensation/benefits but it is not laid down whether this will be done by the PPF itself. The PPF is empowered to secure payments by annuity purchase.

Amicus comment

The absence of any provision for retrospective cases is extremely disappointing as is the absence of any significant input of Government monies.

Concerns about the size of the potential levy in general application are potentially being addressed by limiting the initial compensation level and giving powers to reduce it, which threaten the adequacy of the benefit. For a pensioner with most benefits earned before 1997 the limit on increases means that the supposed '100%' compensation probably only means 70-80% of their total benefits if they had 5% LPI guaranteed on all service, as is commonplace. We would regard pension increases as an integral part of a pension and not a dispensable extra.

The application of a levy ceiling by the Treasury could cause conflict with a PPF overseen by the DWP. It could mean that in the event of a high level of claims compensation levels would have to be dramatically reduced by the PPF. Such reductions would seem to apply to compensation already in payment as well as to new cases. We do not think the compensation once established should be subject to reduction.

The risk based levy is a potential threat to the ability of smaller employers and employers in financial difficulty to continue with schemes for the future. This means that limited protection for the past could lead to a loss of benefits for the future. Linking risk to the financial position of the employer, in particular, would not seem to be appropriate.

Amicus would like to see the injection of significant Government funding into the PPF to allow a decent level of compensation to be guaranteed, to keep the levy within reasonable bounds and the risk-based levy to be reduced or dropped, and to allow retrospective cases to be compensated. We also believe that a modified Government approach to Scheme Funding (see below) would reduce potential claims on the Fund.

Ultimately the Government should act as the guarantor of the scheme so that it offers a clear framework for decent compensation at a reasonable cost to schemes rather than inadequate compensation and/or an excessive levy which would not properly protect members after insolvency and threaten the future of the schemes whose members it is supposed to be protecting.

SCHEME FUNDING

This sets out the framework to replace the MFR, which is to be abolished.

Trustees will be required to agree with companies a strategy for funding the pension scheme and for correcting any scheme deficits and set this out in a Statement of Funding Principles (SFP) which will be disclosed to members. Requirements for regular (at least every three years) valuations and for a Schedule of Contributions are carried-over.

Trustees will be charged to ensure that their schemes have 'sufficient and appropriate assets to cover their technical provisions' (liabilities) and to choose the methods and assumptions for doing this subject to regulations and to guidance issued by the actuarial bodies.

Trustees must have employer agreement and if the employer will not agree a suitable basis of funding the trustees may have to propose a reduction in the future accruals, which again would be subject to employer consent.

Where the trustees and the employer fail to produce an agreed SFP or Schedule of Contributions then the Regulator would have to be brought in to resolve the matter.

Amicus comment

The provisions in the Bill involve greater disclosure of information to scheme members about funding, and hence security, of benefits.

While the framework in the Bill does not seem inherently objectionable, the Government has made it clear that the degree of prescription and regulation will be limited as to produce scheme-specific valuations and recovery plans. Subject to actuarial guidance, schemes will have a choice as to the strength of their funding plans and the speed at which deficits are corrected.

This has to be viewed against the background of the PPF which will be levying a risk-based levy taking account of the level of under-funding in the Scheme measured, on a basis that the PPF will determine. This will provide an indirect control on scheme-specific funding but apparently provide trustees/employers with some choice between the strength of the funding level they select and the level of risk-based levy this will attract.

Amicus believes that it would be better to prescribe a secure long-term funding basis and

standard recovery plan for all schemes so as to minimise generally the risk to scheme members. This would facilitate the withdrawal of the risk-based levy proposed for the PPF by reducing the likelihood that employer insolvency would be associated with scheme under-funding and hence the level of claims for PPF compensation.

PROTECTION AFTER TUPE TRANSFERS

After a transfer the new employer will be obliged to provide either a defined benefits scheme offering benefits in excess of the Reference Scheme or a defined contribution scheme in which the employer promises to match employee contributions up to 6% of salary.

The Reference Scheme is the minimum standard set for defined benefit schemes contracting-out of S2P and roughly speaking comprises a benefit of 1/80 of pay above the level of the National Insurance Lower Earnings Limit (c.£4000 p.a.) payable at 65.

Amicus comment

At present the law does not require a new employer to make any provision. While an advance, this falls well short of our objective of requiring employers to provide a benefit of comparable quality. It will allow employer contributions to be a fraction of what the pension promised in their previous scheme would have cost the old employer. It will, in many cases, largely fail to protect current pensions and only serve to require a minimum pension from the new employer.

For the defined benefit scheme there is no limit on the contribution as may be required from the employee, which could reduce the requirement on the employer further.

In the public sector a requirement for a comparable pension is enforced by policy, at present, and there is a concern that this new legislation could see this undermined. It may also undermine better provision as is currently, on occasions, negotiated in the private sector whether by unions or by the selling companies.

We do not think there should be two tiers of protection differentiating public and private sectors. Comparable pensions should be required in both.

MEMBER-NOMINATED TRUSTEES

The Bill proposes to replace the current framework and procedures with a simple requirement that the trustees of all schemes must make provisions such that at least one-third of the trustees are Member-Nominated Trustees (MNT's) who are nominated by at least all of the active members and selected by some or all of the members. This has to be done within a reasonable time and there must be a clear procedure for the filling of vacancies.

The Regulator will produce a Code of Practice on the implementation of this requirement, which will, like other such Codes, not be legally binding.

Amicus comment

It is not clear that there is any obligation on the trustees to consult with anyone on the framework that they propose or any clear basis to object to any proposal which results in one third MNT's on the loose basis outlined above.

Will trustees be in breach of trust if they fail to take account of the interests of all members in formulating proposals, so potentially resulting in claims to the Pensions Ombudsman?

It might have been hoped that the Government would have considered increasing the 'one-third' proportion for MNT's to one half.

TRUSTEES – REQUIREMENTS FOR KNOWLEDGE

Individual trustees are to be required to be conversant with or to have knowledge and understanding of specific documents and matters relating to the performance of their functions.

The requirement will cover the scheme's trust deed and rules, statement of investment principles, statement of funding principles, pension law, pension fund investment and pension scheme funding. The requirement will be covered by a Code of Practice to be produced by the Regulator.

Amicus comment

It has been suggested that trustees on appointment will have a 'period of grace' in which to undertake training, which is something we would regard as essential.

Much will depend on the interpretation placed on this requirement in the Code of Practice. Our preference would have been that the requirement be placed on the trustee board collectively rather than on the individual trustees. We would be concerned that members would be discouraged to put themselves forward in a situation where undue emphasis was placed on qualifications or testing.

REDUCED LIMITED PRICE INDEXATION

It is proposed that the requirement for minimum increases in pensions in payment be reduced to the lower of inflation and 2.5% for pensions earned after the provision becomes operative. This reduces the ceiling for LPI from 5%.

This is supposedly a response to a lower inflation environment and a headline measure to allow employers to reduce costs and offset the potential cost of the PPF Levy. It would generally require schemes to change their rules before it could take effect.

Amicus comment

We would be opposed to reducing this protection, believing that pensions should retain their purchasing power during retirement.

Immediate savings to employers in their contributions would seem to be limited as most scheme valuations are assuming that inflation will run at or only fractionally above the level of 2.5%.

INTERNAL DISPUTES PROCEDURES

The Bill withdraws the current detailed specifications of what an internal disputes procedure must comprise and provides for a looser requirement which requires schemes to respond to complaints within a reasonable period (to be defined by the Regulator).

Amicus comment

The proposal is motivated by a wish to provide a simpler more flexible procedure. We are concerned that it does not seem to require schemes to allow members a right of appeal against any response to a complaint (currently there is a two-stage procedure) or impose any requirement for involvement by the trustees directly in the process.

OTHER MEASURES

Other measures in the Bill include provision for:

- ◆ A new Government role in promoting and facilitating retirement planning
- ◆ measures to allow and require provision of combined state and private pension forecasts
- ◆ powers to require employers to provide information and advice on pensions
- ◆ bigger enhancements where the State Pension is drawn late including a lump-sum option.

Amicus Pensions Department
Feb.2004

HOW TO GET YOUR EMPLOYER TO UNDERTAKE A REVIEW OF YOUR PAY SYSTEM

As part of the Amicus Equal Pay Campaign, find below step-by-step advice on negotiating an equal pay review with your employer.

ASK YOURSELF?

- ◆ Do you understand the pay system operated by your employer?
- ◆ Would you say that your pay system is open and transparent?
- ◆ Do you know how you are paid in comparison with other employees?
- ◆ Do you – or others – complain about how they are paid where you work?
- ◆ Can you be sure that you and your members are treated fairly in terms of pay?
- ◆ Has your employer undertaken an equal pay review of his/her pay system?

YOUR EMPLOYERS' DUTIES IN RESPECT OF PAY

If you answered 'No' to one or more of these questions, it's time that your employer undertook a review of the pay system. The law requires employers' pay systems to be transparent and accountable. This means that you do not have to prove to your employer that there is a problem with your pay system. Your employer should prove to you that his pay system is transparent and accountable and that there are no problems. Ask your employer to do this. For instance, if your employer operates a performance related pay scheme, the scheme should have a number of stated objectives. If the scheme is not meeting these objectives in practice, it should be challenged and changed. If your employer operates a Job Evaluation Scheme, it should be reviewed to check for discrimination.

INITIAL PROBLEMS

Your employer is probably unsure as to how to undertake a pay review. What is important is your employer's commitment to undertake a review and to work out with Amicus the best way of doing that. There is no one single means of undertaking a pay review – it will be different for every employer.

FIND OUT WHAT TOOLS ARE AVAILABLE TO HELP YOUR EMPLOYER

There are a range of tools to assist employers in conducting an equal pay review.

See the Amicus guidance – *Thinking through your Approach to Equal Pay* and a mini survey for the workplace – *Your Pay – Time for a Review* both available by contacting contact Amor Jones, Equalities and Diversity Research Officer on 0207 939 7027 or amor.jones@amicustheunion.org

The Equal Opportunities Commission (EOC) has produced detailed step-by-step guidance for employers on how to conduct an in-depth pay review. All available on the Equal Opportunities Commission website at www.eoc.org.uk

Begin by looking at the excellent easy-to-read guide for employers and trade unionists which gives an overview of equal pay law, how to undertake an equal pay review, and how to take a claim –

Code of Practice on Equal Pay

Also follow up with following more detailed guides on how to conduct an equal pay review –

- ◆ An introduction to the Equal Pay Review Kit
- ◆ Guidance Notes for the Equal Pay Review Kit
- ◆ Equal Pay, Fair Pay: A Small Business Guide to Effective Pay Practice
- ◆ Practical Tips on Equal Pay
- ◆ Are you providing equal pay? Advice for employers and employees
- ◆ Information on the Equal Pay Forum for employers
- ◆ Good Practice Guide – Job Evaluation Schemes free of sex bias
- ◆ Good Practice Guide – Sex Bias and Performance Related Pay

KEEP IT SIMPLE AND ACHIEVABLE

Pay problems can be complex and trying. It might be better for your employer to avoid long, drawn-out, and overly complex and over-ambitious reviews of pay systems and focus on a problem area that can be worked on. The tools above can be help.

IDENTIFY THE PAY PROBLEM

You may already have some idea of where pay problems exist. Carry out a mini pay survey among employees using the Amicus mini pay survey, *Your Pay – Time for a Review*. You might want to ask your employer for pay statistics before approaching him formally with a request for a pay review. Remember that where Amicus is recognised for collective bargaining purposes, your employer has a duty under The Employment Protection Act to provide you with pay details. Where you are having difficulties getting your employer's co-operation, you can contact your Amicus Regional Officer. The CAC – Central Arbitration Committee – can also assist.

PRIORITISE PROBLEM AREAS

Consider which priority areas need addressing by your employer rather than going to him/her with a shopping list of pay concerns. A shopping list will scare them off and no employer will address every problem that you identify. Prioritise problem areas.

EMPLOYER'S ATTITUDE

Think about how your employer will react when you approach him with the request to undertake a pay review. Will he or she be willing to work in partnership with Amicus? Will he or she be defensive and hostile because he or she won't know what it entails? What is the most persuasive way of getting him or her to agree to do a pay review? Can you predict any of their concerns and answer them?

WHAT IS AMICUS' ROLE IN THE PAY REVIEW?

As an Amicus member or representative, work out what your role should be in a pay review. Being in partnership with employers does not mean Amicus undertakes the review. Obviously this depends on the size of the employer – you may want to get involved – but Amicus general principle is – beyond conducting a survey or gathering pay statistics to establish whether or not a problem exists – not to get involved in the complexity of carrying out the actual analysis.

The role of the Union is to jointly decide the remit of the review, to be consulted over the results and their interpretation, and to agree changes.

Amicus reps should consider – what are your capabilities? What are your resources? How much time do you have to give to the project? What can you reasonably contribute to the review? Do not over-stretch yourself.

SET UP A WORKING PARTY AND DRAW UP AN ACTION PLAN

If you can work in partnership with your employer, it may be useful to set up a joint working party. The working party can be used to drive forward the different stages of review (i.e. analysis, evaluation, and implementation of changes to the pay system). It should also jointly decide who does what when and how. Everybody needs to be clear about their role and what the time-scales are.

It will be worth setting out a joint Statement and Action Plan on equal pay aims and principles, pay targets and suggested courses of action. This Statement and Action Plan can be used as a useful progress aid and can be added to as the project evolves and as important issues are raised.

A PAY REVIEW IN 2 STAGES

The EOC's first recommended stage is a simple, speedy check to enable employers to begin to establish where they have a pay problem. Basically at this stage, employers gather pay data in order to compare the pay rates of women and men in the same grade, or doing similar work, or work of equal value. You might have already done some of this.

If there is a significant pay gap revealed in any area – then employers move onto stage 2 which is a more detailed analysis of the pay system, including a review of any job evaluation scheme. As part of a stage 2 review, employers will be looking for potential reasons for pay gaps and the report provides a checklist for employers to work through to try and identify the specific practices that may cause pay gaps and that need action or changing.

The toolkit and advice listed above provides detailed information on following this process.

PAY PRACTICES

The website advice focuses on possible areas for review – such as performance pay, pay on starting and promotion, new grading systems, overtime and allowances, pay related benefits, part-time and full-time rates of pay, and pensions – to name a few.

But it is also important to look at systems for determining who gets what. Your employer needs to rectify current pay discrepancies and eradicate the systems that perpetuate them. Your employer needs to find out if the job evaluation scheme is free from bias. How does he or she determine performance-related pay – is it objective in principle and practice? He or she may have chosen to gather and quantify pay data in-house but may now need to use outside consultants to review the systems he uses for determining pay rates.

THE ROLE OF ACAS

ACAS – the Advisory, Conciliation and Arbitration Service – provides advisers to assist employers and trade unions who are embarking on equal pay reviews.

RACE DISCRIMINATION IN PAY

In 2002, MSF undertook research on secrecy in pay systems in the finance sector. This revealed that black people consider secrecy in pay systems to be even more of a problem than women (75% and 54% respectively). And in a separate MSF survey in the NHS, MSF found a radical difference between the proportion of black employees getting discretionary increments (5%) in comparison to white employees (14%) with no reason in relation to grade, age, region, or hours to explain this difference. While Government statistics reveal a pay gap between black and white employees, they are not as comprehensive or detailed as statistics on the pay gap between men and women. It is vitally important that pay reviews undertake analyses of pay differences along lines of race as well as sex.

TIME-SCALES

Agree time-scales that are reasonable and achievable for your employer. Changes to pay systems are not something that can be achieved overnight. For instance, you could agree a review process that takes around 6 months with a period for implementation of changes over 18 months. The whole process should not take longer than 3 years.

COSTS

Encourage your employer to be creative in addressing the costs involved in addressing anomalies in pay. They can be spread over the implementation period or longer. There is no reason why funding cannot come from another budget heading – it does not have to come out of the annual pay budget.

■ For further information contact Amor Jones, Equalities and Diversity Research Officer on 0207 939 7027 or amor.jones@amicustheunion.org

■ HEALTH & SAFETY

WORK YOUR PROPER HOURS

Working time was a major theme for Amicus last year, with our regional Working Time Conferences held in nearly every region. The issue has not gone away and we are currently responding to an EU consultation on how well/badly the Working Time Directive has been implemented in the UK. The conference guide is still available (see contact details below) as are various other materials from the events, such as our guides to the Working Time Regs. These can be emailed to you.

Friday 27 February 2004 was designated Work Your Proper Hours Day by the TUC – the day in 2004 when, on average, those who do regular unpaid overtime stop working for free and start getting paid. UK workers are donating £23 billion a year in free time. For details of this campaign, including downloadable materials, see www.worksmart.org.uk/workyourproperhoursday

There is an online calculator to help workers find out which day this year they stop working for free and start earning at www.worksmart.org.uk/overtime_calc.php

Also see the Hazards Magazine worked-to-death webpages at www.hazards.org/-workedtodeath

WORKERS' MEMORIAL DAY – WEDNESDAY 28 APRIL 2004

In the UK every year hundreds of workers are killed just doing their jobs and thousands more die of illnesses caused by their work. Most are killed because their employers fail to comply with the law or to manage health and safety properly.

Employers are aided and abetted in this negligence by governments, which give health and safety a very low priority. This Government has so far failed to keep its manifesto promise to implement a new law of Corporate Killing to make employers accountable for killing workers by negligence. It is also dragging its feet on a Revitalising Health and Safety commitment to make Directors legally responsible for health and safety in their companies.

Over the past year, unions in Canada, Australia, New Zealand and the UK have run employer accountability/industrial manslaughter campaigns; Canada and two Australian states have introduced laws on workplace deaths and employer accountability and the UK has promised (again) to publish a draft bill on Corporate Killing shortly. Amicus campaigners say: 'Deaths caused by employers' negligence are a crime and there should be a law against it.'

In the UK the latest official figure for fatal accidents in the workplace was 226. This figure excludes deaths from driving at work. Worldwide, two million are killed at work each year. Jukka Takala, Director of Safe Work at the United Nations International Labour Organisation, said: 'If terrorism took such a toll, just imagine what would be said and done.'

Workers Memorial Day is one day when we can act locally, nationally and be linked in international solidarity to publicise the real reasons why workers are being killed in incidents and by diseases and to demand political action to reverse the massive number of deaths caused in the Workplaces of Mass Destruction. If people are to work and achieve their ambitions in this global society, then safety must be seen as a cornerstone of our civilisation.

Each year in the UK and worldwide, hundreds of thousands of trade unionists carry out workplace and public activities to 'Remember the Dead and Fight for the Living'. While these events generate lots of local media coverage, we have failed to break through and get WMD recognised nationally as, say, World Aids Day or Remembrance Sunday.

We are fighting for all workers' lives – there is no difference who gets killed whether it be the gatekeeper, line worker, supervisor or manager, their demise is a loss to us all. So get organised using the resources listed below and make the campaign to stop the killing of workers too big to ignore in 2004.

This year as every year, our Clergy members are encouraging ministers in churches and faith organisations across the country to read sermons and say prayers in support of Workers Memorial Day. A special leaflet has been prepared and sent to ministers of religion and is available for members who would like to supply them to their churches or faith bodies. It can also be emailed to you. A special trade union service will be held again this year at the Crooked Spire Church (Our Lady and All Saints Church) in Chesterfield. For further information please contact Revd Tony Bell on 01246 850371.

Publicity material such as flyers and posters are available by contacting us. Please let us know what you are doing so we can publicise it.

Hazards Magazine has a Workers' Memorial Day global guide at www.hazards.org/wmd

Workers' Memorial Day posters (free) and forget-me-knot ribbons are available from Greater Manchester Hazards Centre mail@gmhazards.org.uk 23 New Mount Street, Manchester, M4 4DE. Tel: 0161 953 4037 (30p each plus a SAE, 30p each for 2-99 ribbons including p+p, or £25 per 100 including p+p)

Health & Safety contact details

Mick Reed mick.reed@amicustheunion.org
Chris O'Leary chris.o'leary@amicustheunion.org

Amicus, 40 Bermondsey Street, London SE1 3UD, tel 020 7939 7094, fax 020 7357 6425

EUROPEAN COMPANY STATUTE

The EU Regulation, which enables companies to establish themselves as a *European Company (SE)*, was adopted in October 2001. The Regulation is accompanied by a long-awaited Directive on employee involvement. The Directive provides for the establishment of a European-wide information and consultation body. Parallels have been drawn with the European Works Council (EWC) Directive.

Unlike the EWC Directive, which governs information and consultation in multinationals, the SE Directive regulates information, consultation and board level participation in companies, which decide to become a European Company. This means that employee representatives will have a greater role in the company decision-making process.

Under the regulation the SE can be set up by:

- a) The merger of two or more existing companies
- b) The creation of a joint holding company
- c) The transformation of an existing plc
- d) The creation of a subsidiary of companies

THE DIRECTIVE DEFINES THE VARIOUS ASPECTS OF EMPLOYEE INVOLVEMENT AS

a) INFORMATION – the definition of information is far more exact in its definition compared to the EWC directive. The employee representatives must be informed by the ‘competent organ’ of the SE regarding any of its subsidiaries or establishments situated in any EU member state *‘at a time, in a manner and with a content which allows the employees’ representatives to undertake an in-depth assessment of the possible impact and, where appropriate, prepare consultations with competent organ of the SE.’*

b) CONSULTATION – this again is a stronger definition of consultation than the EWC directive’s. The definition of consultation allows *‘the employee representatives, on the basis of information provided, the opportunity to express an opinion on measures which may be taken into account in the decision-making process within the SE.’*

c) PARTICIPATION – this is the employee representative’s right to elect or appoint some of the members of the company’s supervisory or administrative body or to recommend or oppose the appointment of members to such bodies.

Before a company can be registered as a SE a system of worker involvement must be agreed. This means information, consultation and participation. If this cannot be achieved through negotiation within six months, minimum standards will apply. These standards will require the SE management to provide regular reports of the company’s current and future plans, production and sales level, implications for the workforce, management changes, mergers, divestments, potential closures and layoffs.

One important area of the directive is *participation*, which would have to be negotiated. If no agreement is reached, participation will still be required where employees had the right to participation prior to the creation of a SE. Certain rules would apply depending on employee numbers.

THE REPRESENTATIVE BODY MAY REQUEST EXPERTS ‘IN AN ADVISORY CAPACITY’

There are some benefits for European Companies such as a single legal status, unified system of management and financial information. It is said that there may indeed be fiscal advantages to incorporation as a European Company, but this has not yet been proven.

The UK Government has consulted over transposition of the Directive into UK and is currently drafting regulations to implement the legislation. It is not clear how many companies intend to establish themselves as a European Company. Clearly the legislation will offer another layer of employment relations. It is important that shop stewards are prepared and it would be useful to know whether or not your company intends to make use of this new legislation. Are you aware of whether your company wants to reincorporate itself as a European Company? Has this been discussed in your company? If so please contact your full time official and the International Department. For further information and advice contact Harriet Eisner on 020 7420 8960.

BARGAINING FOR LEARNING: A GUIDE TO GETTING LEARNING ON THE NEGOTIATING AGENDA

Training and development are key issues for collective bargaining. This briefing is designed to help you get training and development on the negotiating agenda at your workplace. There is no right or wrong way of going about this in your workplace. The tactics you use will depend on the type of organisation you work for, what relations are like between the Union and your employer, and the collective bargaining arrangements you have in place. As a starting point, however, you will want to consider the following:

1. RECRUIT AND TRAIN AMICUS LEARNING REPRESENTATIVES

Union learning representatives are a new category of union activist trained to support and promote access to learning for their colleagues. The Employment Bill 2002 gives learning representatives statutory rights in all workplaces where unions are recognised. The legislation includes rights to paid time off for training and to carry out duties associated with the role.

Amicus provides an extensive training programme for learning representatives at its residential colleges. Training is also available in the regions. The courses are designed to equip learning representatives with the knowledge and skills that they need to promote learning in the workplace, advise members about learning opportunities and talk to employers about lifelong learning. Students learn about the support that is available from Amicus, and other sources of support including TUC Learning Services. For more information contact your Regional Office or Education Department.

2. CONSULT YOUR MEMBERS ON THEIR LEARNING NEEDS

To campaign for learning, you need to identify your members' learning and training needs. This means consulting your members to find out what type of learning they are interested in, what their needs are, and identifying any barriers. A good way of doing this is to organise a survey or questionnaire. Learning representatives often play a key role in this process, designing an appropriate questionnaire, distributing it to the staff they work with, and encouraging people to fill it in and return it. The results can then be analysed so that discussions can begin with local colleges, learning providers and your employer to see what courses can be provided and how they can be arranged to suit members needs. Questionnaires can also help to stimulate discussion about the Union's lifelong learning campaign and help to raise the profile of Amicus in the workplace.

3. FIND OUT ABOUT THE TRAINING OPPORTUNITIES THAT YOUR EMPLOYER PROVIDES

The starting point for negotiation is information. You will need to gather information on, for example, company training plans/policies, investment in learning and development, equal opportunities etc. You can use the action checklist at the end of this article as a starting point. If you don't know the answers, ask your employer.

4. SET UP JOINT LEARNING COMMITTEE

A committee or other joint structure can be the forum for drawing up an agreement that will enable unions and employers to discuss together how learning is promoted and managed in the workplace. Agreements with the employer should include procedures for negotiating training and learning opportunities, as well as providing representatives with access to relevant information on learning. A learning agreement will also help to clarify the role and rights of union learning reps.

STANDARD FACILITIES FOR LEARNING REPRESENTATIVES:

- ◆ A reasonable period of paid time off within working hours to carry out their activities, in accordance with the ACAS Code of Practice on Time Off for Trade Union Duties.
- ◆ A reasonable period of paid time within working hours to visit training providers, colleges etc, establish vital contacts and develop a resource base.
- ◆ Paid time off for training, including a reasonable period of paid time for learning reps to participate in ongoing training. Learning reps will also need paid release to participate in briefing events/seminars/conferences etc organised by Amicus or the TUC to enable them to keep abreast of new developments in the field of learning and training.
- ◆ Access to an office which will enable a learning rep to carry out interviews in privacy and confidentiality.
- ◆ The use of a telephone, fax, printer and photocopier.
- ◆ Access to a PC, linked to the Internet and email access.
- ◆ Access to lockable filing cabinets to keep private and confidential information regarding individual learning needs.

5. IMPROVE COMMUNICATIONS WITH YOUR MEMBERS

It is important to make sure that members are aware of the benefits of learning and that they know who their Amicus learning representative is and how to contact them.

If you produce a union newsletter or an email bulletin for your members, introduce a regular lifelong learning section, informing members of learning and training opportunities, any developments or new learning initiatives, and success stories.

6. INCORPORATE LIFELONG LEARNING INTO YOUR ORGANISING AND RECRUITMENT STRATEGY

If you succeed in developing a learning strategy for your workplace, you will find that it helps you recruit new members. The learning agenda is important to members because it addresses concerns about employability, job security, personal development and self confidence. It also has implications for health and safety and equal opportunities issues in the workplace. Learning can be a very positive issue for the union to campaign and organise around.

For further advice/information about lifelong learning and the learning representative role contact your Amicus regional office/Regional Learning Organiser or education department or contact Dr Sarah Howard, Director of Education: 01279 755677, sarah.howard@amicustheunion.org. You can also visit the union's dedicated education website: www.amicus-m.org/whitehall-college

ACTION CHECKLIST

This checklist will help you assess how much training and development your employer provides and give you an opportunity to raise issues. You can add extra questions if you wish.

NUMBERS AND ACCESS

- ◆ How much money, in relation to turnover or the total wage bill, does your employer invest in learning? How does this compare with previous years?
- ◆ How many people, in relation to the total workforce, receive training and how does this compare with previous years?
- ◆ How much training in days/hours do employers receive on average, and how much of this is 'on the job' and how much is 'off the job'?
- ◆ Do all sections of the workforce have access to learning opportunities?
- ◆ Are Amicus members properly trained for the jobs they do? Is there a proper training scheme? Is instruction provided 'on the job' only?

PAY AND CONDITIONS

- ◆ Do trainees receive their normal pay and conditions while training?
- ◆ Does your employer pay course fees, costs of summer schools, travelling expenses etc for courses of broad educational value such as Open University, Amicus Open and Distance Learning or adult education courses?

QUALITY

- ◆ Does workplace learning lead to an externally recognised qualification or credit towards one?
- ◆ Is it possible to gain access to lengthy periods of training?
- ◆ Is training provided relating to the use or introduction of new technology?

EQUAL OPPORTUNITIES

- ◆ Do the numbers trained match the profile of the workforce in terms of gender, ethnic origin and age? What monitoring takes place?
- ◆ Do men and women receive comparable on and off the job training?
- ◆ Is investment in learning biased towards certain areas of work?
- ◆ Are learning opportunities accessible for people with childcare/caring responsibilities?
- ◆ Are there any unnecessary age bars to training schemes?

TRAINING POLICY

- ◆ Does your employer have a written training policy? Do you have a copy? Was the Union involved in drawing it up? Is everybody aware of its contents?
- ◆ Does your employer make sure that employees know what learning opportunities are available?
- ◆ Does your employer carry out regular training reviews or audits? Are the results of these disclosed to the Union and their findings discussed?

■ REPRESENTATIVES TRAINING

LIFELONG LEARNING WITH AMICUS: COURSES for REPRESENTATIVES and MEMBERS at WHITEHALL COLLEGE 2004

The courses below are offered by the former Amicus-MSF section Education Department. They will be held at Whitehall College, Bishop's Stortford, Hertfordshire.

The courses are open to all Amicus Workplace Representatives.

INTRODUCTORY COURSE FOR NEW REPRESENTATIVES

NEW REPRESENTATIVES

Representatives have a key role to play in developing strong and effective workplace organisation. This course covers the role and responsibility of the Amicus representative in the workplace. It will help new reps build the knowledge, skills and confidence they need to be effective. (10 credits)

12 – 16 January	2 – 6 February	23 – 27 February
15 – 19 March	29 March – 2 April	19 – 23 April
10 – 14 May	7 – 11 June	21 – 25 June
12 – 16 July	13 – 17 September	11 – 15 October
1 – 5 November	29 November – 3 December	

COURSES FOR THE PUBLIC SECTOR

INTRODUCTORY COURSE FOR NHS REPRESENTATIVES (10 credits)

19 – 23 January	19 – 23 April	10 – 14 May
21 – 25 June	20 – 24 September	15 – 19 November
6 – 10 December		

HIGHER EDUCATION: for new representatives (10 credits)

22 – 26 March

COURSES FOR HEALTH & SAFETY REPRESENTATIVES

ORGANISING FOR HEALTH AND SAFETY 1

This course examines the role and responsibility of the Amicus safety representative. It will give safety representatives the knowledge and skills they need to improve health and safety organisation in the workplace. (10 credits)

12 – 16 January	23 – 27 February	19 – 23 April
10 – 14 May	5 – 9 July	20 – 24 September
18 – 22 October	8 – 12 November	6 – 10 December

ORGANISING FOR HEALTH AND SAFETY 2

This course is for workplace representatives who have previously attended the introductory course 'Health and Safety 1'. The course focuses on organising around Health & Safety issues in the workplace and seeks to improve the representational skills developed in Health & Safety 1. (10 credits)

Members who complete both courses and who opt for accreditation of their work will be eligible for direct entry to the TUC certificate in Occupational Health and Safety.

1 – 5 March	12 – 16 July	27 Sept – 1 Oct
29 November – 3 December		

SKILLS DEVELOPMENT COURSES FOR REPS*

*We recommend that applicants should have previously attended an Introductory Course

EFFECTIVE ORGANISING

Building power at work through organising union members is an essential ingredient for effective negotiating. This course will help you learn about organising strategies and develop skills to organise effectively. (10 credits)

8 – 12 March	25 – 29 October
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REPRESENTING MEMBERS AT WORK

As a representative, members come to you with their problems. They look to you to take up their grievances, deal with disciplinary matters, and support them on issues at work. This course is designed to help you in handling individual cases. It will give you the practical skills you need to represent members at work. (10 credits)

26 – 30 January	17 – 21 May	27 Sept – 1 Oct
22 – 26 November		

IMPROVING NEGOTIATING SKILLS

Being effective in negotiations is the basis of most Amicus work. This course is intended to assist Amicus representatives of all levels of experience to practise and develop their negotiating skills. (10 credits)

2 – 6 February	5 – 9 July	18 – 22 October
6 – 10 December		

COURSES FOR LEARNING REPRESENTATIVES

The rapid development of new technologies and the acceleration of economic and industrial change are transforming the world of work. We need to keep updating our knowledge and skills. These courses are designed to help representatives promote lifelong learning as a central feature of the union agenda. (Accredited by the Open College Network – OCN)

Introduction to Lifelong Learning (Part 1)

26 – 30 January	16 – 20 February	8 – 12 March
29 March – 2 April	26 – 30 April	17 – 21 May
24 – 28 May	27 Sept – 1 Oct	1 – 5 November
13 – 17 December		

Developing Lifelong Learning (Part 2)

1 – 5 March	24 – 28 May	19 – 23 July
25 – 29 October	8 – 12 November	

SPECIALIST COURSES FOR REPRESENTATIVES*

*We recommend that applicants should have previously attended an Introductory Course

INTRODUCTION TO EMPLOYMENT LAW (Part 1)

Employment rights provide workers with important standards. Knowing what they are and how to enforce them will inform and reinforce your negotiating position. This course will help you develop a better understanding of individual, collective and trade union rights at work. (10 credits)

19 – 23 January	26 – 30 April
20 – 24 September	8 – 12 November

INTRODUCTION TO EMPLOYMENT LAW (Part 2)

This course is for representatives who have previously attended Employment Law Part 1.

WHITEHALL COLLEGE

Whitehall College is an Amicus residential training centre, located on the northern edge of Bishop's Stortford, about 35 miles north of London with good road and rail communications. The main building is accessible for wheelchairs. The College has a fully equipped Crèche for children under school age. Places are limited so students must apply in advance of their course to secure a place.

WHITEHALL COLLEGE COURSES

Amicus meets all the costs of residential courses including travel. We do, however, expect your employer to pay your wages while you are away. Amicus workplace representatives, health and safety representatives and learning representatives have a legal right to time off with pay to go on union courses. If you have any difficulty getting paid time off, contact your Regional Officer or the Director of Education.

For further information see the Whitehall College site: www.amicustheunion.org and select Education and Whitehall College.

ACCREDITATION

A unique learning partnership with the University of Leeds provides members with the opportunity to have their Amicus learning formally recognised and validated. Every Amicus course is accredited through the University of Leeds. These credits can be accumulated towards a Continuing Education Certificate in Community and Industrial Studies and a Higher Education Certificate in Community and Industrial Studies from the University of Leeds. They may also be transferred to courses in other educational institutions.

HOW TO APPLY

Use the form on the back page of this magazine. The form is also available to download on line at amicustheunion.org and click on education.

The course will cover the law as it applies to all aspects of discrimination at work. (10 credits)

8 – 12 March

25 – 29 October

IMPROVING PENSIONS (Part 1)

Pensions are an important part of the pay and benefits package and play a vital role in protecting our living standards in retirement. This course is for representatives seeking a basic introduction to pensions, and for trustees who need to be familiar with the benefit structure of pension schemes. (10 credits)

21 – 25 June

MANAGING PENSION SCHEMES (Part 2)

This course looks at the role of trustees; the importance of the trust deed; pension funding arrangements; the work of an actuary; and the investment policies and practices of pension funds. This course is particularly suitable for member trustees, as well as representatives with some pension experience or who have completed the introductory Improving Pensions Course. (10 credits)

22 – 26 March

4 – 8 October

PERSONAL DEVELOPMENT FOR REPRESENTATIVES & MEMBERS

COURSES FOR WOMEN

These courses offer the opportunity for women to share experiences and problems and to develop knowledge, skills and confidence, which will enable them to play a more active role in the union. (10 credits)

Four separate courses are offered:

Assertiveness & Personal Development
Developing Women's Leadership

Organising for Women
Negotiating Skills for Women

27 June (Sunday pm) – 2 July

DEVELOPING LEADERSHIP FOR BLACK MEMBERS

This course is designed for black members and representatives who want to become more involved in the Union and want to have a more effective say in Union affairs. It aims to address specific issues faced by black members and to provide the opportunity for black members together to develop their knowledge, skills and confidence to tackle them. (10 credits)

19 – 23 July

TRADE UNIONS, WORK AND SOCIETY

This course provides representatives and active members with a unique opportunity to engage in personal development through learning. Participants will develop a wider understanding about contemporary trade union issues within the context of the changing nature of work and its connections with wider society. Students will be able to debate and explore social, political and economic issues with journalists, academics, politicians, practitioners and other experts. No prior education or knowledge is required, but course members are expected to contribute to debates and discussions during the school. (10 credits)

19 – 23 July

FAMILY LEARNING WEEK

This course provides members and their families with a unique opportunity to participate in union learning. Structured around contemporary social issues, the course offers a learning programme for the whole family. The week will focus on issues around globalisation, debt, poverty and international solidarity.

25 (Sunday pm) – 31 July

WEEKEND COURSES FOR REPRESENTATIVES AND MEMBERS

Women's Weekend

Friday (pm) 21 – Sunday 23 May

Friday (pm) 17 – Sunday 19 September

Youth Weekend

Friday (pm) 3 – Sunday 5 September

Amicus LGBT

Friday (pm) 15 – Sunday 17 October

NEGOTIATING INFORMATION

FACTS AND FIGURES

RETAIL PRICES INDEX

Percentage changes over 12 months

	RPI	RPIX
2001		
Feb	2.7	1.9
Mar	2.3	1.9
Apr	1.8	2.0
May	2.1	2.4
June	1.9	2.4
July	1.6	2.2
Aug	2.1	2.6
Sept	1.7	2.3
Oct	1.6	2.3
Nov	0.9	1.8
Dec	0.7	1.9
2002		
Mar	1.3	2.3
Apr	1.5	2.3
May	1.1	1.8
June	1.0	1.5
July	1.5	2.0
Aug	1.4	1.9
Sept	1.7	2.1
Oct	2.1	2.3
Nov	2.6	2.8
Dec	2.9	2.7
2003		
Jan	2.9	2.7
Feb	3.2	3.0
Mar	3.1	3.0
April	3.1	3.0
May	3.0	2.9
June	2.9	2.8
July	3.1	2.9
Aug	2.9	2.9
Sept	2.8	2.8
Oct	2.6	2.7
Nov	2.5	2.5
Dec	2.8	2.6
2004		
Jan	2.6	2.4
Feb	2.5	2.3

RPI (formerly main measure of consumer price inflation)

RPIX (Government's preferred measure of underlying inflation)

BASE LENDING RATE

4.00%

AVERAGE EARNINGS

	Month/year	*% change on year	*% Headline rate
WHOLE ECONOMY	DEC 03	3.4	3.4
Service sector	DEC 03	3.4	3.4
Manufacturing sector	DEC 03	3.5	3.4
Public sector	DEC 03	4.4	4.4
Private sector	DEC 03	3.2	3.2

* The headline rate is the centred average of the annual change in the seasonally adjusted series over the latest 3 months

* Compiled with data from the Office of National Statistics

RETAIL PRICE INDEX (%) Percentage change over 12 months, 1982–2003

	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Jan	12.0	4.9	5.1	5.0	5.5	3.9	3.3	7.5	7.7	9.0	4.1	1.7	2.5	3.3	2.9	2.8
Feb	11.0	5.3	5.1	5.4	5.1	3.9	3.3	7.8	7.5	8.9	4.1	1.8	2.4	3.4	2.7	2.7
Mar	10.4	4.6	5.2	6.1	4.2	4.0	3.5	7.9	8.1	8.2	4.0	1.9	2.3	3.5	2.7	2.6
Apr	9.4	4.0	5.2	6.9	3.0	4.2	3.9	8.0	9.4	6.4	4.3	1.3	2.6	3.3	2.4	2.4
May	9.5	3.7	5.1	7.0	2.8	4.1	4.2	8.3	9.7	5.8	4.3	1.3	2.6	3.4	2.2	2.
Jun	9.2	3.7	5.1	7.0	2.5	4.2	4.6	8.3	9.8	5.8	3.9	1.2	2.6	3.5	2.1	2.9
Jul	8.7	4.2	4.5	6.9	2.4	4.4	4.8	8.2	9.8	5.5	3.7	1.4	2.3	3.5	2.2	3.3
Aug	8.0	4.6	5.0	6.2	2.4	4.4	5.7	7.3	10.6	4.7	3.6	1.7	2.4	3.6	2.1	3.5
Sept	7.3	5.1	4.7	5.9	3.0	4.2	5.9	7.6	10.9	4.1	3.6	1.8	2.2	3.9	2.1	3.6
Oct	6.8	5.5	5.4	3.0	4.5	6.4	7.3	1.0	0.9	3.7	3.6	1.4	2.4	3.2	2.7	3.7
Nov	6.3	4.8	4.9	5.5	3.5	4.1	6.4	7.7	9.7	4.3	3.0	1.4	2.6	3.1	2.7	3.7
Dec	5.4	5.3	4.6	5.7	3.7	3.7	6.8	7.7	9.3	4.5	2.6	1.9	2.9	3.2	2.5	3.6
Avg	8.67	4.60	4.96	6.08	3.43	4.13	4.90	7.80	9.45	5.91	3.73	1.57	2.48	3.41	2.44	3.12

	1998	1999	2000	2001	2002	2003	2004
Jan	3.3	2.4	2.0	2.7	1.3	2.9	2.6
Feb	3.4	2.1	2.3	2.7	1.0	3.2	2.5
Mar	3.5	2.1	2.6	2.3	1.3	3.1	
Apr	4.0	1.6	3.0	1.8	1.5	3.1	
May	4.2	1.3	3.1	2.1	1.1	3.0	
Jun	3.7	1.3	3.3	1.9	1.0	2.9	
Jul	3.5	1.3	3.3	1.6	1.5	3.1	
Aug	3.3	1.1	3.0	2.1	1.4	2.9	
Sept	3.2	1.1	3.3	1.7	1.7	2.8	
Oct	3.1	1.2	3.1	1.6	2.1	2.6	
Nov	3.0	1.4	3.2	0.9	2.6	2.5	
Dec	2.8	1.8	2.9	0.7	2.9	2.8	
Avg	3.42	1.56	2.93	1.84	1.61	2.9	

■ PAY REVIEW UPDATE – 20.01.04

Review Group (No's. covered)	Effective Date	Period (months)	Terms of latest pay settlement
CHEMICALS			
Chugai Pharma Europe – clerical, technical, sales and management staff (50)	1.1.04	12	4.6% across-the-board increase, plus bonuses worth 7% of basic pay
DS Nutritional Products – clerical, admin and production grades (550)	1.1.04	12	3% pay increase. Standard working week reduced by 15 minutes to 37 hours
HJ Enthoven & Sons – manuals and staff (188)	1.1.04	12	3% basic pay rise
LEO Pharma – manuals and staff (247)	1.1.04	12	All-merit rises from 4% pot, range nil to 10%
Pentagon Fine Chemicals – technical grades (130)	1.1.04	12	Basic pay rates increased by 3%
Pfizer Global Manufacturing – all (900)	1.1.04	12	All-merit rises from 5% pay budget
Rhodia Eco-Services, Staveley – non-management staff (60)	1.1.04	6	Six-month pay freeze
Rhodia Phama Solutions – Annan, TGWU and Amicus grades (60)	1.1.04	24	Second stage of two-year deal awards 2.5% increase over the 18 months to 30 June 2005, worth 1.66% on an annualised basis
Cramlington, TGWU and Amicus grades (160)	1.1.04	24	Second stage of two-year deal awards 2.5% increase over 15 months, worth 2% on an annualised basis
Sanofi-Synthelabo – head office and field staff (600)	1.1.04	12	All-merit rises from 4.5% pay pot, range nil to 11%
Synthomer – all (470)	1.1.04	12	2.8% pay increase
Warwick International – all (240)	1.1.04	12	4% pay increase
CONSTRUCTION			
Electrical Contracting JIB – (50,000)	1.1.04	36	Third and final stage of three-year deal sees national minimum industry rates increased by 7.1% (8.2% in London)
Freelance film construction workers (1,100)	1.1.04	36	Three-year deal: first stage yields a rise in the hourly rate of up to 25% as a result of new money increases worth £50 a week for most employees, and a cut in the working week from 50 to 42.5 hours without loss of pay
ELECTRICITY, GAS AND WATER			
British Gas – staff (10,500)	1.1.04	12	3.2% basic pay rise
South East Water – collective bargaining grades (370)	1.1.04	12	Basic pay rises averaging 3%

Review Group (No's. covered)	Effective Date	Period (months)	Terms of latest pay settlement
ENGINEERING AND METALS Nissan Motor Manufacturing UK – all except senior management (4,700)	1.1.04	24	Second stage of two-year deal awards 3% increase
FOOD, DRINK AND TOBACCO Yoplait Dairy Crest – manuals (500) and staff (200) F Smales and Son – all except drivers and cold store (450)	1.1.04 1.9.03	18 12	Second stage of an 18-month pay deal pays 2.5% from 1.1.04. The first stage paid 2.5% from 1.7.03; the next review is due in July 2004-03-08 3% pay increase
GENERAL MANUFACTURING Baxter Healthcare – manufacturing grades (300) Bridgestone Firestone – all (135) Castle Cement – production grades (600) – admin staff (300) Marley Building Materials – factory operatives (800) – staff Remploy – manual workers (5,700) Wrexham Glass – all (730)	1.1.04 1.1.04 1.1.04 1.10.03 1.1.04 1.1.04 1.1.04 1.1.04	12 12 36 12 12 12 12 24	2.9% increase Rates increased by 3% Third stage of three-year pay deal awards RPI-linked uplift of 2.6%, plus 0.75%, giving a rise of 3.35% 4% basic pay rise Basic pay rates increased by 3% across the board All-merit rises from 3.25% pay pot, yielding increases between 2.5% and 4% 3.25% pay rise Second stage of a two-year deal awards 3.1% basic rise, comprising October 2003 RPI (2.6%) plus 0.5%
GENERAL SERVICES Channel 4 – all (895) SMG – all (550)	1.1.04 1.1.04	12 12	2.8% pay increase 3% across-the-board rise, plus additional increases for certain staff to correct pay anomalies
HOTEL AND CATERING Accor UK – hotel staff (3,000) Royal Garden Hotel – hotel staff (350)	1.1.04 1.1.04	12 12	All-merit rises from 2.5% budget, range nil to 5% Basic pay rates increased by 3%

Review Group (No's. covered)	Effective Date	Period (months)	Terms of latest pay settlement
PAPER & PRINTING			
Financial Times – journalists (480)	1.1.04	12	2% pay increase
Robert Horne Paper Company – distribution and warehouse staff (395)	1.1.04	12	4% pay rise across the board
Screen printing industry – labourers, screen printers and production artists (4,000)	1.1.04	12	2.8% general increase, subject to minimum cash rises weighted towards the lower paid of £6.50 a week for those on grades 1-3 and £7 a week for those on grade 4, worth 3.8% on the lowest minimum adult rate
PUBLIC SERVICES			
Design Council – all (56)	1.7.03	12	3% across the board
Rother District Council – all (240)	1.9.03	12	3% across the board
Babergh District Council – staff on local pay arrangements (300)	1.7.03	12	3.5% across the board
Armed Forces Review Body – all (205,500)	1.4.04	12	Basic increase of 2.8%, except privates, lance corporals and their equivalents, who receive rise of 3.2%. Longer Separated Service Allowance and Longer Service at Sea Bonus increased by 3.2%
Senior Salaries Review Body – senior civil servants (3,700)	1.4.04	12	Pay ranges up to permanent secretary level increased by 2%, plus individual performance-related pay awards ranging from nil to 9%. Minimum unconsolidated bonus payments of 3% or £2,500, whichever is the higher, for those making the greatest contribution. Uplift to pay range for permanent secretaries resulting in new range of £121,100 to £256,550
– MPs and ministers (968)	1.4.04	12	2% basic increase
– senior military (131)	1.4.04	12	Increase of 2.8% across the board
– judiciary	1.4.04	12	2.5% increase
Tandridge District Council	1.1.04	24	Second stage of two-year deal rises salaries by 3.75%
TRANSPORT AND COMMUNICATION			
AF Blakemore – drivers (100)	1.2.04	12	2.7% basic pay rise
Chester City Transport – drivers (105), clerical (20), craft (9) and engineers (11)	1.1.04	12	4% pay rise across the board
RETAIL AND WHOLESALE			
Next – retail and management staff (25,000), call centre staff (2,500), head office staff (1,650)	1.2.04	12	2.8% across-the-board increase
Unichem – distribution staff (3,250)	1.1.04	12	3.3% across-the-board rise
– senior managers (400)	1.1.04	12	3.3% across-the-board rise

CONTACT LIST

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Graham Cain	Motor Vehicles, Motor Components Process Industries	020 7939 7085	020 7939 7083
Richard Clarke	Construction, Offshore, Mechanical Electrical Contracting, Engineering Construction	020 7939 7015	020 7939 7083
Olivia Fitch	Communications Managers Association, Royal Mail	020 7939 7088	020 7939 7083
Vicky Foxcroft	Energy, Utilities, Government Depts, Railways, Buses and Ferries	020 7939 7079	020 7939 7083
Janet Golds	Not for Profit Sector e.g Charities, Voluntary Organisations, Professional Bodies	020 7939 7008	020 7357 6425
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Nicola Hosfield	Financial Services	020 7939 7093	020 7939 7083
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Rob Johnston	Aerospace, Shipbuilding, Defence, General Manufacturing	020 7939 7076	020 7939 7083
Amor Jones	Equalities	020 7939 7027	020 7939 7083
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Chris Milner	Experience Corps (Voluntary Sector)	020 7939 7036	020 7357 6425
Saba Mozakka	Financial Services	020 7939 7071	020 7939 7083
Chris O'Leary	WEU – Working Environment Unit	020 7939 7094	020 7357 6425
Steve Scott	Research Co-ordinator	020 7939 7086	020 7939 7083
PENSIONS			
Julian Richards	Pensions	020 7939 7095	020 7939 7083
Bryan Freake	Pensions	020 7939 7073	020 7939 7083